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INSIDE EIGHT PAGES FROM SUNDAY'S The New York Times WEEKLY REVIEW

Peres calls for early elections

SARAH HONG

PRIME Minister Shimon Peres kicked off the 1996 campaign season last night by announcing... as long expected - that he is moving up election day.



Prime Minister Shimon Peres announces last night in Jerusalem that he has decided to call early elections. (Brian Heather)

said he didn't think that advancing the elections is admitting failure in the talks with Syria.

Channel 1 several times focused on the face of Peres's bodyguard, as the prime minister spoke.

In his response, Netanyahu argued that these "are fateful elections, in which each citizen will have to ask whom he trusts more to conduct the negotiations and maintain Israel's security."

"Unlike the government, we will make sure Jerusalem remains undivided, that the Golan prospers under Israel's control, and that a Palestinian state is not established, but limited to self-rule areas."

Though he "does not subscribe to Peres's vision of a new Middle East," Netanyahu did speak of the need for "a revolution in education to meet the new challenges in technology and communications... till every child in Israel."

PA sets up roadblocks outside Bethlehem

HERB KEINON

THE Palestinian Police set up roadblocks at the entrances to Bethlehem yesterday, protesting work the IDF is carrying out near Rachel's Tomb to further fortify the site.

Israeli security sources said the roadblocks are an infringement of the Oslo accords, since the Palestinian Police did not inform the IDF of its intention to set them up.

Bethlehem Mayor Elias Freij held a press conference and sharply criticized the work near the tomb.

"They are building a Berlin Wall through the center of the main street," Freij said. "This wall, if it continues, will kill the city of Bethlehem, the economy of Bethlehem, and will hurt everybody."

Gush Etzion residents on their way to work in the morning reported long lines of cars near Solomon's Pools, and many then decided to take the bypass road around the city.

The Palestinian Police were reportedly stopping both Israeli and Palestinian cars. Settlement activists said that work to further fortify and make changes at Rachel's Tomb in Bethlehem has been going on for about a month.

According to settlement sources, a wall is being built on the island in the middle of the road outside the tomb. The plan calls for a roof to then run from the wall to the tomb compound.

The road will continue to pass under the roof, but can be closed off when there are large numbers of worshippers at the tomb. The worshippers themselves will then be protected by the wall, rather than be exposed outside the complex.

In addition, settlement officials said, two more IDF guardposts are being built just south and north of the tomb. Work is also under way to take down walls and place a ceiling over parts of the compound to make the interior larger. Settlement sources put the cost of the work at about NIS 6 million.

According to the Oslo agreements, the tomb and the road leading to Jerusalem are to remain open. (Continued on Page 2)

Meretz, Hadash spurn Likud bid to join forces against Labor move

Gozansky: Early elections bad for us, but worse for Likud

SARAH HONG

HADASH and Meretz reported yesterday that the Likud had attempted to coordinate opposition to early elections with them, but both parties said they rejected the Likud's overtures.

Hadash and Meretz, like the Likud, are known to have good political reasons for opposing early elections. The Likud has been trailing in the polls since the Rabin assassination. Meretz has been also doing badly in the polls and was hurt when its leader, Communications and Science Minister Shulamit Aloni, announced she would not be running again.

Hadash, like the Democratic Arab Party, fears the challenge being posed by the new party being formed by PLO Chairman Yasser Arafat's adviser Ahmed Tibi.

However, Hadash MK Tamar Gozansky minced no words: "We would have given serious consideration to any such offer, had it come from any other party but the Likud. Since the Likud came

to us, it made us determined to support early elections, even though they are detrimental to our interests. More important for us is that early elections are bad for the Likud, and we are willing to sacrifice our interests if this will hurt the Likud."

Environment Minister Yossi Sarid (Meretz) was not as blunt, but expressed a similar sentiment. "We would not even discuss the matter, despite our very deep reservations about early elections. We sent the Likud emissary packing. We would not deal with them."

The only parties who volunteered to support early elections came from the opposition. First was Moledet, though it is not clear just how many of its three MKs Moledet leader Rehavam Ze'evi actually speaks for.

"Anything which can shorten the term of this disastrous government must be welcomed wholeheartedly," Ze'evi said.

The National Religious Party also endorsed early elections, mostly because it thinks it has a good chance to increase its number of seats.

Prime Minister Shimon Peres won reluctant support for advancing elections from Meretz, Hadash, the Democratic Arab Party, and the two Labor MKs - Avigdor Kahalani and Emanuel Zissman - who will officially become Third Way candidates when the movement formally declares itself a political party tomorrow.

Meretz explained that it agreed to early elections after it received assurances that the peace process with Syria will not be halted or slowed down. The Third Way wanted assurances that it would be given sufficient time to register as a political party.

Thus Peres has more than enough votes to pass early elections legislation in the Knesset. Labor faction chairman

It is best to cut such periods short. Elections are essential for democracy, but a long campaign is a waste of time and resources. He called for "a short, fair

campaign without epithets like 'murderer' and 'traitor.' We will exercise restraint - and I hope the opposition can." Answering questions, Peres

Sharansky throws his hat into ring

TEN years to the day after he arrived in Israel, former Prisoner of Zion Natan Sharansky yesterday formally entered the race for the Knesset.

The leadership of his movement, Yisrael Ba'aliya, unanimously decided to become a political party and run in the upcoming elections. According to recent polls, an immigrant party is likely to win four to six Knesset seats.

Internal elections to select the 1,500 delegates to the party's convention, scheduled in mid-March, will be held at the end of the month. The convention will choose a 400-member central committee, which will select the Knesset list.

"This is the natural extension of our struggle to promote aliya in the Soviet Union," Sharansky said. "We want to make this country not merely a place of refuge, but a land which attracts Diaspora Jews because it offers a high quality of life and extensive opportunities."

(Jerusalem Post Staff)

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King Hussein to Mecca to repair Gulf War damage

DUBAI - Jordan's King Hussein performed a pilgrimage in the holy city of Mecca yesterday and held talks with Saudi Crown Prince Abdullah, Saudi TV reported.

The Jordanian monarch traveled to Mecca to perform the Umra, a minor pilgrimage, after he arrived in Jeddah.

He is hoping to restore once lucrative ties with Saudi Arabia that were severely strained by Amman's sympathy for Iraq in the 1990-91 Gulf crisis.

Jordan's relations with Gulf countries have improved in the last few months, as Amman has begun to take a strong stand against Presi-

News agencies

dent Saddam Hussein in Iraq.

"The trip itself is very important and will provide an opportunity to discuss all that could bring good for the two countries," King Hussein said on leaving for his first meeting with King Fahd since the crisis.

King Fahd, who less than two years ago snubbed King Hussein while on a pilgrimage, flew to Mecca last week to receive visitors. It was his first travel since suffering a stroke in November.

Egyptian President Hosni Mubarak arrived

on Saturday, but Jordanian and Egyptian officials said there were no plans for a three-way summit in Mecca involving Jordan, Egypt, and Saudi Arabia.

Jordan's newspapers, whose optimism on earlier fence-mending exercises proved unfounded, were confident that this time the Gulf War rift would finally be healed.

"King Hussein's impending visit to Mecca to hold a meeting with the Saudi leadership will mark the beginning of a new era in relations between the two countries after a hiatus of several years," wrote the Jordan Times.

Hadassah finds genetic marker for muscle disease

JUDY SIEGEL

HADASSAH-University Hospital researchers have discovered a genetic marker for hereditary inclusion body myopathy (HIBM), a disease that is most common among Jews of Persian (Iranian) origin.

The finding two weeks ago could lead to the discovery of the actual gene, and already makes it possible to give families genetic counseling to determine who is a possible carrier.

Prof. Zohar Argov, a senior neurologist at the hospital in Jerusalem's Ein Kerem, said the disease occurs in one out of every 1,500 Jews of Persian origin. There are about 80 Israelis who have been diagnosed with the

disease, but "we believe others remain undiagnosed, apparently because they are ashamed. We'd like to find them," he said.

Other ethnic groups, both Jewish and non-Jewish, suffer from the same or similar types of inherited muscular dystrophy, but with a lower frequency.

Argov discovered the disease in the late Seventies and has searched for the genetic marker for the past 15 months. "Of ethnically related diseases, it is very important, and no drug or other treatment is available," he said. HIBM is characterized by the

appearance of progressive weakness during the patient's twenties; it causes difficulties in walking and using the hands. Patients don't die of it, but some are very disabled due to extensive muscle damage. Until now, the disease was only detectable when the patient became ill.

Molecular genetic research, conducted by Argov with Dr. Stella Rosenbaum of the unit of molecular genetic development at Hadassah-University Hospital on Mt. Scopus, led to the discovery of the genetic marker in all the patients examined. They discovered that the defec-

tive gene is located somewhere on Chromosome #9 and now want to find the exact location.

"A more exact characterization of the gene is likely to bring great advancement in understanding the course the disease takes," Argov said. "Therefore, we would like to examine as large a number of patients and their families as possible. In the not-too-distant future, there may be a genetic test to determine whether a fetus is affected."

Families with a member who has been diagnosed with the disease are asked to contact Argov at (02) 776938.

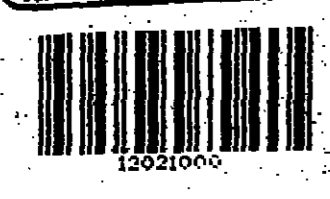
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Women's advocacy group for Knesset fails to woo press

GREER FAY CASHMAN

AN effort yesterday by the coalition of women's organizations to recruit female journalists to give publicity to women running for the Knesset backfired badly, as the journalists refused to allow feminist sympathies to intrude on journalistic ethics.

While agreeing to look into any newsworthy story, the journalists drew the line at running stories merely to give greater exposure to women candidates.

"Other than gender, you haven't brought us any political message," charged Hatzofeh's Naomi Golan. A male panel, she

commented, would definitely not have focused on gender, but on issues.

Speakers representing WIZO, Na'amat, the Israel Women's Network, and Emunah were unanimous in noting that the record number of women candidates reflects a growing political awareness among women.

Altogether, 69 women have submitted their candidacy. In the Labor primaries, 33 are running, 15 of them on the national list. There are 15 women would-be

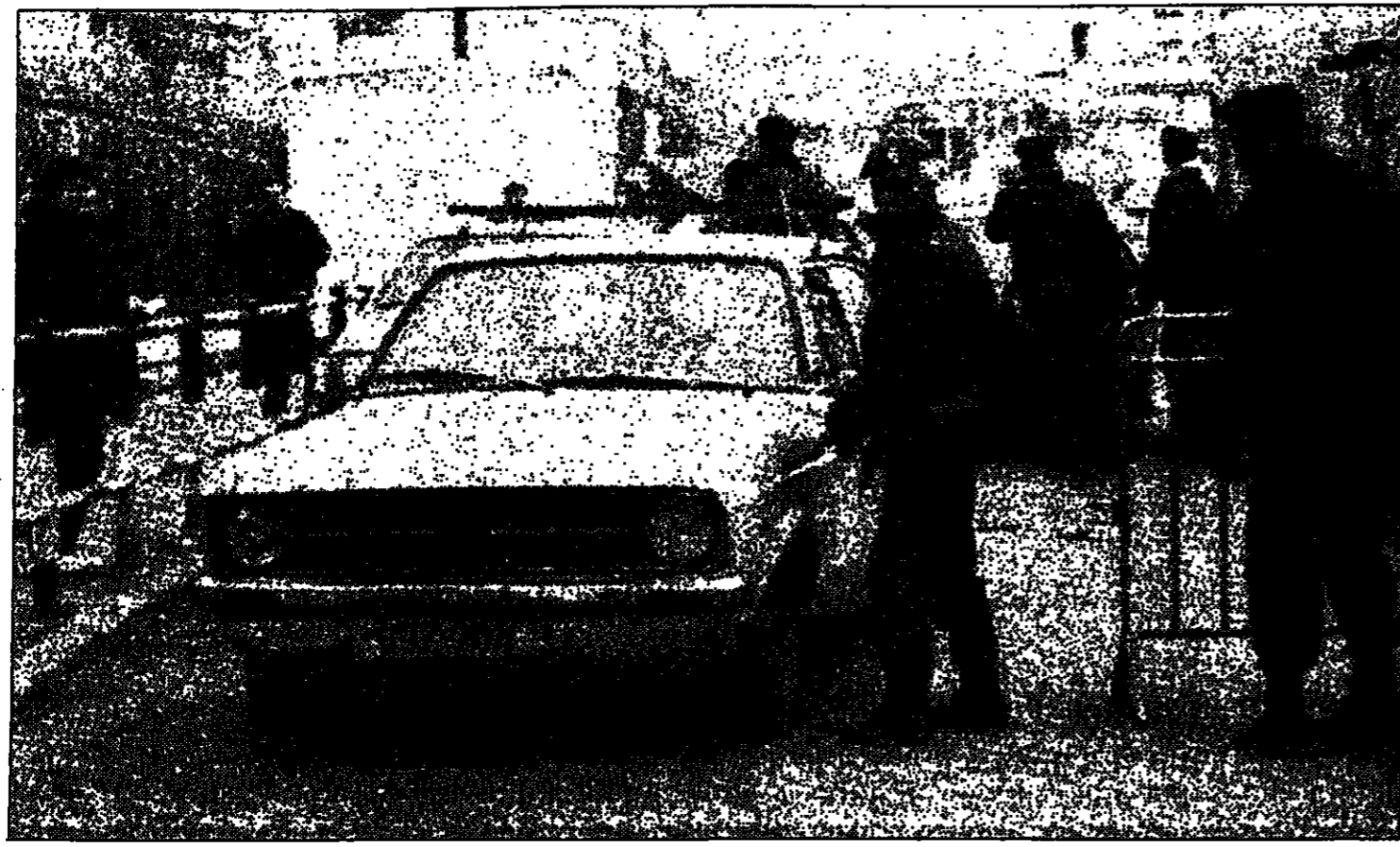
women MKs in the Likud, two in Hadash, two in David Levy's party, one in Tsomet, one in Moleket, two in the National Religious Party, and 13 in Meretz.

Although WIZO is apolitical, said its world chairwoman, Helena Glaser, she would have no hesitation in calling on WIZO members to back Na'amat chairwoman Ofra Friedman in the Labor primaries.

Conceding that NRP leaders have yet to understand that women have no less an important po-

litical role than men, Jerusalem City Counselor Yehudit Huebner advocated that women become more assertive. She proposed that the coalition hold a meeting with some of the most influential men in politics to make it clear to them just how much voting power women have and to spell out the threat: "If you're not with us, we're not with you."

Alice Shalvi, of the Israel Women's Network, is convinced that the number of women candidates can be increased next time around, if the right training is provided for them.



Palestinian policemen stop cars at a roadblock at the entrance to Bethlehem yesterday. The IDF said the roadblocks, set up to protest construction around Rachel's Tomb, are a violation of the Oslo accords. (Brian Heidler)

(Continued from Page 1)

main under Israeli control. The accords stipulate that Israel has the right to build two more guardposts at the site.

Last night, it was announced that the dispute between the PA and Israel will be resolved on a

political level. The announcement came following a meeting between liaison committee heads Brig.-Gen. Herzl Getz and Ziad Atrash.

A demonstration by Palestinians against the building is scheduled for today. A settlement official said the PA is getting pressure both from its opposition

and from the Wakf to act against the construction.

Meanwhile, PA officials said last night that Yasser Arafat is to be sworn in this week, possibly this evening, as president of the national authority.

ROADBLOCK

Public is entitled to a meaningful campaign

COMMENT

DAVID MAKOVSKY

moved since then.

Likud leader Binyamin Netanyahu is now saying that not only will Israel not return to Gaza, but it will not return to those cities in the territories now controlled by the Palestinian Authority.

Now the Likud, alongside Labor, puts forward maps that illustrate which percentage of the territories would be controlled by Israel. The debate seems more about numbers than principles.

Yossi Beilin favors a final map whereby Israel would keep most of the settlers - nothing radically different from Netanyahu's plan. Each side also pays fealty to a united Jerusalem under Israeli sovereignty.

However, serious decisions will in fact have to be made regarding the Golan and the final-status talks. Yet doubts about the sincerity of Netanyahu and Peres in tackling these issues remain.

When Netanyahu pledged last week that he would never meet with elected Palestinian Authority leader Yasser Arafat, it reinforced doubts that the Likud leader is serious about continuing

the current peace process. Rather, according to this school of thought, what he really seeks to do is to chip away at and ultimately destabilize the Oslo process and undermine any hope for a deal on the final status.

Some suspect that Netanyahu's gambit is to profess support for the peace process, but only to capture the floating vote in the political center.

The argument can also be made that Peres's maneuvers, such as flip-flopping on early elections, reinforce doubts about his sincerity. And unlike Yitzhak Rabin, who favored a referendum because he had a change of heart since pledging during the 1992 campaign that he would not relinquish the Golan, Peres seems to want a referendum after the elections to simply to defuse campaign attacks by Netanyahu.

But elections, and not unprecedented referendums, are the best times to thrash out issues of national importance. The public is entitled to demand from Peres and Netanyahu a campaign as meaningful as the consequences it is likely to face after the election. This campaign should not just produce a winner, but also a mandate for a definite policy.

Prototype next step for Nautilus

STEVE RODAN

THE next stage of the Nautilus program is to develop a prototype laser system that can track short-range rockets and destroy them, Defense Ministry Director-General David Ivry said yesterday.

He said Friday's successful destruction of a Katyusha rocket by laser represented the end of the first phase of the Nautilus program, which was designed to determine the feasibility of the weapon. The next stage is to build a prototype of a full system that would include a radar sensitive enough to detect short-range missiles and mortar shells.

"The major problem is accura-

cy and detection," Ivry told reporters at a briefing. "You need a very strong radar and to coordinate the radar with the laser. This is a major challenge."

Ivry said that the laser would undergo another test before the program enters the next stage. He said it is too early to provide an estimate on how much the development of a laser system would cost.

Defense officials have generally played down the success of Nautilus. They said the program is mostly directed by the US - starting from the Strategic De-

fense Initiative in the mid-1980s - with Israeli involvement beginning only a year ago.

Ivry said the Nautilus's success would have no effect on another Israel-US program on missile defense, the Arrow.

Unlike Nautilus, Ivry said, Arrow, which is being funded at \$500 million over the next five years, is meant to intercept and destroy ballistic missiles at ranges way beyond that of the laser program.

He said another test of Arrow 2, the operational model of the missile, will take place soon. He said the demonstration would not try to intercept an enemy missile.

Two killed, 39 hurt in road accidents

TWO people were killed and 39 injured, two seriously, in road accidents yesterday.

The driver of a car was killed north of Beit El when his car collided head on with an Egged bus and was thrown off the road and down a hill. No one on the bus was reported hurt.

A 70-year-old Safed woman was fatally injured when she slipped and fell off a bus in the

city. She later died at Haifa's Rambam Hospital.

Police were trying to determine whether she had slipped when the bus was at a complete stop, or whether the driver had not closed the door and begun driving, causing the women to fall off.

Twenty-one people were hurt, two seriously, in a three-vehicle collision at the Mashtela junction on the Beit Lid-Tulkarm road.

A van collided head-on with a minibus coming in the opposite direction, and the minibus was then hit from behind by a light truck. All 21 victims were Palestinians on their way to work in Israel.

Eighteen people were lightly injured when a milk truck skidded at the junction between Ashdod and Gedera, and hit a bus carrying workers. (Iim)

Barak asks for support from US Jewry

MARILYN HENRY

NEW YORK

FOREIGN Minister Ehud Barak appealed to American Jews to support the peace process and engage in a partnership with Israel, but noted that Israel and the Diaspora each has different priorities.

Barak was in St. Louis yesterday for the plenum of the National Jewish Community Relations Advisory Council, an umbrella organization representing 117 local community relations councils as well as several national agencies.

He is scheduled to meet with delegates from the UN Security Council tomorrow.

In a wide-ranging speech, Barak assured NJCRAC of the government's commitment to Jerusalem.

"In the permanent status talks, our position will be that Greater Jerusalem should remain undivided, under our sovereignty, the eternal capital of Israel. Period," he said. "There are no compromises here. No 'ifs,' 'ands' or 'buts.'"

He also said that PLO Chairman Yasser Arafat must live up to the Oslo accords and cancel the Palestinian Covenant.

If Arafat fails to deliver, "then I see no way how we can proceed with the permanent status negotiations as planned," he said.

Turning to the Diaspora, he said, an agenda for relations is conspicuously absent. Relations must move beyond charity to partnership, he said, and added, "a complete convergence of interests and concerns between Israel and the Diaspora is neither possible nor desirable. We each have our own priorities."

Syrians visit LA Holocaust museum

TOM TUGEND

LOS ANGELES

THE Simon Wiesenthal Center's Museum of Tolerance, which is accustomed to a wide range of international visitors, recorded a first last week when it hosted a six Syrian writers and artists.

The group included three writers, a journalist, a painter, and a sculptor. They were conducted on a two-and-a-half hour tour of the museum by Rabbi Abraham

Cooper, the Wiesenthal Center's associate dean.

On leaving, two of the group recorded their impressions in Arabic in the visitors' book. One wrote: "A very fortunate visit, with a lot of information on these ugly crimes against humanity." The second wrote that it was "a revealing and moving experience."

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NEWS IN BRIEF

Norway's defense minister arrives today

Norwegian Defense Minister Jorgen Kosmo arrives today for a five-day official visit as the guest of Prime Minister and Defense Minister Shimon Peres. He will meet with Peres and Defense Ministry Director-General David Ivry. He will also visit an air force base and lay a wreath at the grave of Yitzhak Rabin. Jerusalem Post Staff

Savir, Brodet leave for Jordan

Foreign Ministry Director-General and peace negotiations coordinator Uri Savir is to leave today for a short visit to Jordan along with Finance Ministry Director-General David Brodet.

During their visit, the two will discuss bilateral relations, especially economic cooperation and joint projects, with Crown Prince Hassan and other Jordanian officials. Savir will also meet with the new Jordanian prime minister, Abdul Karim Kabariti. JP Staff

Deputy FM to dress down Bassiouny

Deputy Foreign Minister Eli Dayan has demanded an urgent meeting with Egyptian Ambassador Mohammed Bassiouny to discuss recent Egyptian press reports that claimed IDF soldiers used Egyptian POWs as live targets, abused their bodies, and sold their internal organs for transplant.

Dayan on Saturday night expressed anger at the reports, calling them an "ugly blood libel."

Dayan is expected to reprimand Bassiouny and thus send a message to Cairo demanding some control over the sharp anti-Israeli stories that have been appearing in the Egyptian media, official and opposition alike. Iim

EARLY

(Continued from Page 1)

has a computer ... but we also need to anchor this new age in our roots, because there is a basic loss of values, of the spirit of the return to Zion, to Eretz Yisrael, and our rights in this land."

The elections, according to Netanyahu, "should have been held long ago. Therefore, the Likud and Tsomet will support legislation to bring them forward. The date is not the most important element here, and we will not quibble over a week here or a week there."

Netanyahu spoke about bringing the national camp together, "including David Levy."

But speaking on Channel 1 last night, Levy said he would not

drop out of the race for prime minister and would not return to the Likud.

President Ezer Weizman, meanwhile, called on the public to keep the election campaign free of violence.

"I wish the nation a smooth path to elections ... and call on the public to maintain a decent standard," he said after conferring with Peres on the date of the election.

"We must keep standards of both verbal and physical non-violence," Weizman said. "We have experienced the terrible things which are the result of both verbal and physical violence," he said.

Batsheva Tsur contributed to this report.

PA, Israel in row over airport site

A PLO official yesterday accused Israel of trying to impose security control over a Palestinian airport under construction along the Gaza Strip's border with Israel.

"Israeli soldiers have for the past 10 days tried to prevent work on construction of the airport ...

and this is a flagrant violation of the accord we signed with them," said Brig.-Gen. Faysel Zeidan, head of the Palestinian Civil Aviation Authority.

The IDF had no immediate comment on the allegation. (Reuter)

Klingb

Haifa Mayor: Pipeline Dangerous

Jevico Lico

Klingberg seeks rehearing of parole request

CONVICTED spy Marcus Klingberg yesterday asked the High Court of Justice to rehear his request for parole before an expanded panel of justices.

Klingberg, 78, was sentenced to 20 years in prison in 1963 for giving the Soviet Union information on chemical and biological warfare while he was serving as deputy head of the Biological Institute in Ness Ziona.

He appealed for parole last summer on humanitarian grounds, since he is suffering from several potentially fatal illnesses.

A three-justice panel rejected his request two weeks ago, saying they accepted Klingberg's claim that he has no intention of betraying additional secrets, but he might still do so unwittingly, and this is a danger that can only be guarded against by keeping him in prison.

Klingberg's attorney, Avigdor Feldman, argued that this ruling was a radical departure from the standards the court had previously set.

Therefore, he said, the case merits a rehearing before an expanded panel.

EVELYN GORDON

In the past, Feldman said, the standard has always been the prisoner's intent: Before someone's freedom could be curtailed, the state had to prove not only that he possessed dangerous information, but also that he was very likely to give this information to an enemy.

Under this new test, however, anyone with any access to classified information could be thrown in jail, since anyone could inadvertently reveal such information, Feldman noted.

"A legal system that curtails rights ... to defend against the unknown is, with all due respect, on the slippery slope toward becoming a legal system that neglects the defense of human dignity and freedom," he wrote in his request for a second hearing.

The court's ruling, Feldman argued, rests on several assumptions: that Klingberg possesses information which he does not realize could endanger state security, that this information is still dangerous after 17 years, that it could be unwittingly conveyed in no more than a few casual words

dropped in conversation, and that Klingberg is incapable of controlling his tongue.

"With all due respect, this is a chain of assumptions that deviates in an extreme fashion from the wisdom, restraint, and sobriety that usually characterizes this court in matters relating to fundamental freedoms and permissible infringements thereof," he wrote.

He noted that Klingberg has complied completely with all the restrictions placed upon him in prison, even to concealing his name from his jailers.

Bus company must reinstate union workers

MICHAEL YUDELMAN

In a precedent-setting ruling, the Tel Aviv Regional Labor Court yesterday ordered a private employer to reinstate workers who were fired over a year ago for union activity.

The court ruled that the Gat Tapuz bus company, which had fired two workers on the pretext that they had committed disciplinary violations, had really dismissed them due to their efforts to expand the workers' rights and obtain a collective wage agreement.

The court ordered Gat Tapuz, a subsidiary of Egged, to reinstate the two workers immediately, to pay their accumulated wages for the last year of work and to grant them all the rights and benefits they would have accumulated during this time.

The court also ordered the company to cover court expenses of NIS 1,500.

The workers, Yisrael Yaniv and Avraham Steinberg, who represent 130 bus drivers in the Tel Aviv, Holon and Ben-Gurion Airport area, were employed as drivers by Gat Tapuz in 1991.

The company employs drivers, conductors, supervisors, mechanics and administrative workers, all on personal contracts.

In September 1992 the Histadrut received complaints from Gat Tapuz workers, that they were being threatened and pressured by management to stop the

organization process. But when Histadrut queried management, Gat Tapuz replied that the Histadrut had no standing in the affair and the company could do as it pleased.

In October 1994, the company's employees elected a works committee for the Tel Aviv and central area. The management confirmed its recognition of the committee's status and wrote a letter to the bank, opening an account for the committee.

But once the committee, which was also recognized by the Histadrut's trade union division, actually began to act in matters relating to workers' welfare, management began harassing committee members. In November 1994, the company canceled Yaniv's entrance permit to Ben-Gurion Airport.

In December 1994, the workers declared a labor dispute, in coordination with the Histadrut. Ten days later the two committee members received letters of dismissal.

Attorneys Naomi Landau and Francis Raday, who represented the union members, said the freedom to organize is a basic right. They maintained the two workers had not been dismissed in good faith.

The court ruled that the dismissals had in fact violated the Basic Law: Human Dignity and Freedom.

First direct flights to Tunis this spring

HAIM SHAPIRO

The first direct flights between Israel and Tunisia are to take groups of Israelis to a religious celebration on the Tunisian island of Djerba for Lag Ba'omer.

This was announced yesterday by Yossi Englander, chairman of Yossi Tours, who reached an agreement with Tunisian Tourism Minister Salih Mosai. Yossi Tours signed an agreement to execute the flights with TTS, a large Tunisian tour operator and owner of Nouvel Air, a Tunisian charter company which is to carry out the flights.

The first three flights are to be on MD83s, carrying 167 passengers each, with flight time about three and a half hours. The return

flights are to be from Tunis, with passengers having the option of buying a flight ticket or a full tour package. Yossi Tours has also arranged for a hotel in Djerba to provide kosher food.

For the past two years, the company has brought Israelis to Tunisia on package tours via Rome and Malta. Englander said he hopes to initiate a weekly charter flight. The Lag Ba'omer flight will cost \$500 to \$600.

In other air news, Adria, the Slovenian national airline, has resumed direct flights between Ljubljana, the capital of the former Yugoslav republic, and Tel Aviv. The airline is represented here by Mirus Services.

Haifa mayor: Pipeline dangerous

DAVID RUDGE

THE cabinet decided yesterday to permit, for the time being, the continued use of a petroleum pipeline which runs under residential areas of Haifa, despite warnings that it represents an environmental and health hazard.

It was also decided, however, that a thorough survey of the danger should be conducted by an independent body, which is to submit its findings within 90 days.

This decision was welcomed by Haifa Mayor Amram Mitzna, who has been leading the campaign for the closure of the pipeline, known as the "White Pipeline," following an alleged leak last year in the Neveh Sha'anun district.

A high school in the neighborhood was closed for several weeks after teachers and pupils complained of feeling sick because of fumes from the suspected leak.

The Energy Ministry maintained that no breakages had been discovered after tests were carried out on the pipeline, and eventually the school was reopened.

Nevertheless, Mitzna, with the full backing of local residents, maintained that the incident was caused by a leak.

The Municipality has petitioned the High Court of Justice for an injunction closing the pipeline, which runs from the Oil Refineries in Haifa's bay-side suburbs to the center of the country.

Mitzna charged that the Energy Ministry had completely ignored the danger of the pipeline, despite surveys which had revealed that it constituted a hazard.

"The ministry has until now has opposed an examination by an objective body, as was decided by the cabinet, which will be conducted in accordance with the instructions of the Environment Ministry. This we welcome," he said.

Indictment of two 'Yediot' editors today

INDICTMENTS against *Yediot Aharonot* editor Moshe Vardi and former news editor Ruth Ben-Ari will be filed in Tel Aviv Magistrate's Court this morning, Justice Ministry sources said.

The two will be charged on three counts of commissioning and use of illegal wiretapping. The charges relate to listening to a cellular phone conversation between *Yediot* publisher Arnon Mozes and *Ma'ariv* publisher Ofer Nimrodi; attempting to tap *Yediot* graphic artist Ozit Lipsitz's phone; and commissioning a bug on the phone of former *Yediot* editor-in-chief Dov Yudkovsky after he moved to *Ma'ariv*.



Chief Rabbi Yisrael Meir Lau meets with South African President Nelson Mandela during his five-day visit to South Africa, which ended yesterday. 'I hope to visit Israel in 1996,' Mandela told Lau.

NEWS IN BRIEF

14 years for rape

Talat Gazawi, 27, from Kalansuwa, was sentenced yesterday to 14½ years' imprisonment by Haifa District Court for raping a hitchhiker. Last March, Gazawi picked up an 18-year-old woman up at Kfar Yona on his way to Haifa, pulled off the road at a deserted spot, and raped her. He confessed to the crime. In sentencing, Judge Michal Lindenstrass said the courts are "obligated to fight against criminals and to protect women and girls against sexual assault."

Con man sentenced on 24 counts

Zion Avraham, 57, was convicted on 24 counts of aggravated fraud and extortion and sentenced to four years in prison by the Tel Aviv District Court yesterday. Between 1987 and 1992, Avraham, described as a smooth talker, operated a pyramid scheme in which he convinced people to invest money with the promise of better returns than a bank. He then used money from later investors to partially repay previous ones, pocketing a good deal in the process. Eventually, of course, the pyramid collapsed.

Tolerance program set up

The Anti-Defamation League and the Absorption Ministry have agreed to cooperate in developing and implementing tolerance programs here. The initial effort will focus upon

Ethiopian immigrants and will be organized

with the cooperation of the United Ethiopian Jewish Organization, the immigrants' umbrella group.

Road safety chief quits

Othniel Schneller, head of the Transport Ministry's Road Safety Administration and the head of transport negotiations with Jordan, announced his resignation yesterday. Schneller, in the post for over eight years, was heavily criticized for most of that time because of the continuing high number of road accidents. Supporters said, however, that he was never able to directly affect such essential factors as the number of police on the roads, or the physical condition of the highways.

The resignation is to take effect April 1, following the completion of the transport agreement with Jordan and the accident prevention campaign for 1996.

Channel 2 comes to Negev

Channel 2's new relay station on Har Mitzpaz near Dimona goes online today. This is the fourth Channel 2 relay station, and will enable clear reception in the entire Negev from Ofakim to Yerubam, including Beersheba and Arad. The other relays are in Eilat, Givat Moreh, and Bnei Yehuda. Previously Negev residents received Channel 2 via Bezeq transmitters in the area.

1,200 prosecuted under nature protection laws

LIAT COLLINS

SOME 1,200 police complaints were filed last year for violations of nature protection laws, including illegal hunting, damage to natural sites and plants and litter in nature reserves.

The Nature Reserves Authority yesterday released the figures for prosecutions it initiated in 1995. The report shows an increase of more than 100 percent in criminal proceedings initiated since 1990, which, according to NRA spokeswoman Dina Weinstein, can be attributed to stronger enforcement.

Among the most common, serious violations prosecuted were 136 cases of damaging natural assets, mainly the theft of corals from the Eilat reserve; the hunting of protected species; gather-

ing of protected flowers and herbs such as hyssop; and lumbering. Most of the 367 files opened on public disorder charges involved illegal driving and damage by 4x4 vehicles, quarrying, and littering or dumping waste in nature reserves.

Of the illegal hunters, 82 were caught for hunting deer, a protected species. According to Weinstein, illegal deer hunting seems to be one reason for the drastic drop in the number of deer found in the north, a decrease of 700 between 1994 and 1995. Other offenses include hunting without a license, not sticking to quotas and hunting in protected areas. Deputy Interior Minister Salah Tarif is among the people facing these charges.

Pesticide-contaminated strawberries destroyed

TESTS on strawberries in the Even Yehuda area revealed unacceptably high levels of pesticides, and the Agriculture Ministry has destroyed 200 kg. of the fruit. The pesticide can damage the nervous system.

The ministry's action is part of an effort to take more serious measures against farmers who ignore instructions on the use of pesticides. In particular, the ministry began monitoring strawberries more carefully over the past month. Major growing areas checked included Kedma and Kalansuwa.

Twenty-four hours after the ministry took the strawberries from the fields of Avraham Karmi, who had leased them to Nasser Abed from Tira, it was determined that the fruit was a danger to public health. Strawberries from Kalansuwa were also found to have high levels of pesticides.

The reports of pesticide incidents have caused the public to stop buying strawberries, and farmers have complained, so the ministry decided to publish the names of the locations and owners involved.

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Car bombs kill 17, wound 93 in Algeria

ALGIERS (AP) - Powerful car bombs killed 17 people and wounded 93 others yesterday in this North African country convulsed by an Islamic insurgency. Seventeen people were killed and 52 injured when a car bomb exploded at about 3 p.m. in the Belcourt quarter of the capital, Algiers, according to official sources. The bomb exploded just as a minibus was passing a building that houses the Algerian newspaper *Le Soir d'Algerie* and the offices of several independent journalists and photographers. Witnesses said it blew a crater in the ground.

It was not immediately known whether any journalists were among the dead or injured. Islamic radicals began intentionally targeting journalists in May 1993, and 58 have been killed, most recently an Algerian newspaper editor shot to death Saturday. Earlier yesterday, a car bomb planted in another bustling quarter of the capital, Bab el Oued, exploded and wounded 41 people. French television showed dozens of people peering at the mangled wreckage of a small car used to conceal the bomb in the Bab el Oued attack. A woman

wearing a headscarf and holding a baby on her hip picked her way through chunks of concrete. No one immediately claimed responsibility for either attack, but suspicion fell on Islamic radicals trying to topple the military-backed government and replace it with strict Islamic rule. The government, reacting to the widening violence, clamped down by ordering Algerian newspapers to submit reports on terrorism to a government censor. The bomb that wounded 41 exploded in front of a heavily protected city office, and the building was heavily damaged. A hospital

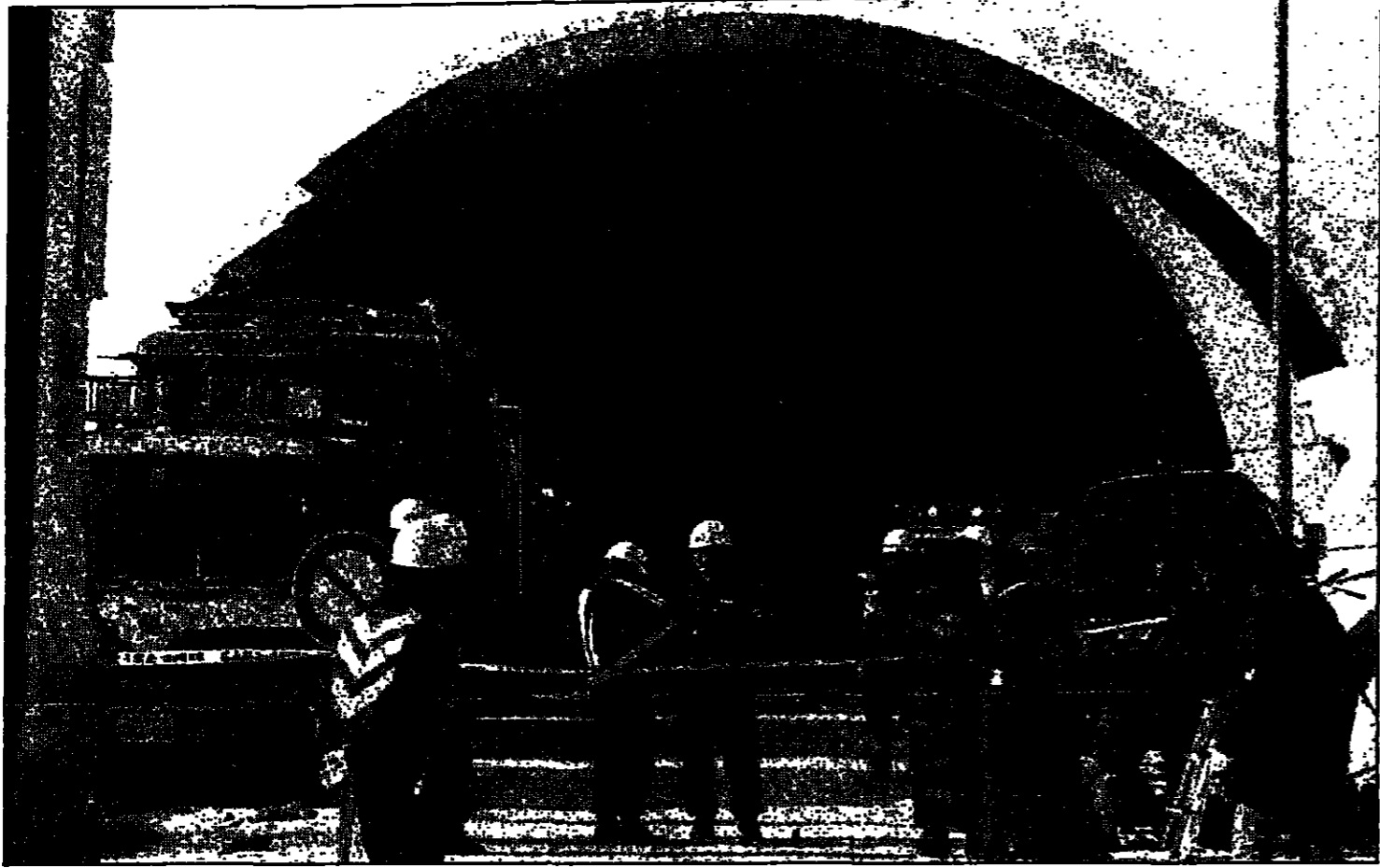
source said seven of the wounded were gravely injured and that the casualty toll could rise. A source, speaking on condition of anonymity, told The Associated Press that the bombing may have been the work of the Armed Islamic Group, the most extreme of Algeria's militant factions. The source said a suspected group commando had been seen walking in the area with an armload of materials. There were no other details, and the government did not confirm the report. The bombings were the 11th and 12th attacks since Ramadan began three weeks ago.

Irish slam UK plan for Northern Ireland elections

STUNNED by a deadly IRA bomb attack in London, British and Irish leaders searched yesterday for political initiatives to restore damaged hopes for peace in Northern Ireland, despite obvious Irish government anger at what it sees as British prevarication. As Prime Minister John Major summoned his cabinet for crisis talks, his erstwhile Irish partner in the peace process said London and Dublin must act decisively to keep the shaken peace process alive. "Risks have to be taken for peace. Governments are the only people who can make that judgment at the end of the day and indeed ensure that the violence is stopped," former Irish premier Albert Reynolds told GMTV. Irish Prime Minister John Bruton accused Britain of "pouring petrol on the flames" licking at the peace process in Northern Ireland by insisting on elections in the province ahead of all-party talks. He said that the British position on elections - thought to be behind the breakdown of a 17-month IRA cease-fire - would only deepen the crisis into which the process had been plunged by a lethal IRA bomb attack in London on Friday. "I believe the idea of having an election of the kind suggested immediately after the resumption of violence would pour petrol on the flames," Bruton told Irish radio. He was reacting to remarks by Sir Patrick Mayhew, Britain's Northern Ireland secretary, which he called a grave error. "I would urge Sir Patrick not to pursue that path, to accept the advice of the Irish government on this matter," Bruton said. Bruton reiterated that the Dublin government would not hold talks with Sinn Fein, the

political wing of the IRA, until the cease-fire was reinstated. But his remarks on Britain's handling of the crisis showed the clear rift between London and Dublin. In London, a spokesman for the British government said he was aware of Bruton's remarks but had no comment. A senior member of Sinn Fein, said yesterday the current stage of the peace process had collapsed but could be rebuilt if all parties involved worked together. "The peace process which was constructed over many years has collapsed. Now we have to go back to the drawing board and we have to start to rebuild it yet again," Mitchell McLaughlin said. President Clinton led a chorus of international condemnation of the London bomb but some foreign newspapers accused Prime Minister John Major of playing a dangerous game of brinkmanship with the IRA. Clinton said: "The people of Northern Ireland have chosen peace. They do not deserve to have a small group choose bloodshed and violence and wreck the peaceful life they long for." Newspapers around the world expressed outrage at the IRA's return to violence, with some saying its Sinn Fein political wing's quest for respectability had been shattered. There was also stinging criticism of Major for his hard stance at the peace talks. Saying there was no justification for such a "wanton attack" and that the IRA had made a "terrible mistake," the *New York Times* in an editorial yesterday said the bomb should be a warning to those involved in the conflict. Urging Major to change track, it said: "He has been playing a dan-

gerous game of brinkmanship with the paramilitary groups." This theme was taken up in Spain, where Basque separatists have killed more than 800 people in a 27-year campaign. "Major's government bears enormous responsibilities for having resorted to all manner of tricks," the conservative daily *ABC* newspaper said. France's *Le Monde* said the Irish republicans' search for international respectability had been wrecked by the blast. "The bombing ruins years of efforts by Sinn Fein's leaders to appear respectable," said the influential center-left daily. But it added that "to say the least," Britain shared responsibility for the paralyzed peace process. "The British government, under Unionist pressure, is more intransigent than ever. Nonetheless, it concluded: "There is still hope this was only a warning shot and peace has not yet been killed off." The detonation of the huge bomb in the Canary Wharf financial and media district is the latest in a long line of IRA attacks to hit Britain where it hurts most. IRA bombings of department stores, bars and political or military targets in Britain in the 1970s and 1980s have given way to attacks on institutions at the core of the country's financial power. The attack killed two people, injured more than 100 others and caused damage estimated at up to 100 million pounds (NIS 465 million), although the Canary Wharf tower itself did not take the full force of the 250 kg bomb. The IRA heralded its shift in tactics on April 11, 1992, when it destroyed London's Baltic Exchange, the world's leading international shipping market, in the heart of the centuries-old City financial district.



Rescue workers and police officers stand outside the Toyohama tunnel where 20 people have been trapped since Saturday. (AP)

Dynamite gamble fails in Japan tunnel tragedy

JAPANESE rescue workers yesterday failed to dynamite a giant boulder off a collapsed road tunnel in which 20 people were entombed in two vehicles and hope had virtually run out of finding the motorists alive. The blasting operation was a last-ditch gamble to reach the victims - 19 in a bus and a lone motorist - who have been trapped since Saturday morning in the tunnel on Japan's northernmost island of Hokkaido. Relatives gave permission for the blasting operation after round-the-clock efforts in light snow to reach the vehicles from either side were thwarted by tons of fallen rock and soil. The tragedy happened when a giant rock slab slid off the side of a mountain overlooking the tunnel and speared into its roof, opening a breach through which poured dozens of tons of debris. Rescue workers hoped that if the giant boulder could have

been blasted off the roof, they might have been able to reach the motorists from the tunnel roof. Workers, only able to see the scene through special scanning equipment poked through debris, said the front and back of the bus were crushed and there were no sounds or signs of movement. They were able to see the bus driver's hat and one hand, but calls to him went unanswered. "We are worried time has probably run out now for the people inside," one rescue official said. When the rock slab fell, a 40-meter stretch of the ceiling crashed down from just inside one of the entrances of the 1,086-meter-long Toyohama tunnel about 50 km. northwest of Hokkaido's capital city of Sapporo. The rupture started before the tunnel burrows into the mountain through which it passes on a highway running along the Sea of

Japan coast between the towns of Yoichi and Furubira. Authorities said they would aim to conduct a second blast before noon today. Preparations for the blast would be made overnight, they said. Geology experts said landslides were a constant hazard on Hokkaido, an island regularly shaken by earthquakes and blanketed by snow for up to six months of the year. They said earth tremors first opened small cracks in rocks which were widened by ice forming in them from the constant snow leading to regular massive rock falls. A police spokesman said all family members of the victims gave their consent to the blasting operation and were aware it could have caused a new collapse, which would have made the plight of their loved ones even more desperate. However most relatives

appeared steeled for bad news even before the dynamiting was carried out. "The bus is crushed, and I doubt if my daughter is still alive. I just want them to hurry up with the work," the father of a 17-year-old girl on the bus told television stations. "My son appears to be trapped in the back of the bus between some rocks, and he could still be alive. But, if I don't give my consent work won't progress," another father said. Rescue workers planted a total of about 220 kg. of dynamite at 21 points in the slab, but when they were detonated, the massive boulder only slid about a foot off the tunnel roof, leaving most of it still on top. "We did not achieve our aim of removing the boulder because we cut the amount of dynamite for safety reasons," rescue official Makoto Niiyama said. (Reuters)

US envoy tries to mend fraying Dayton deal

KURT SCHORK SARAJEVO US envoy Richard Holbrooke, architect of the Dayton peace agreement for Bosnia, flew into Sarajevo yesterday to tackle what he called the gravest challenge to the deal yet. He warned the rival parties they had no choice but to fully implement the peace accord, threatened by a row over the Bosnian government's arrest of suspected Serb war criminals and conflict in the divided Moslem-Croat city of Mostar. "We are here to insist on full compliance with Dayton, no exceptions, no changes," Holbrooke told reporters in Sarajevo. "We consider this as the first serious challenge to the Dayton agreement. All three parties are still saying they will comply but they are arguing over what compliance means. We are here to help them straighten it out." Serb army commander Gen. Ratko Mladic on Thursday ordered his troops to break off contacts with NATO peacekeepers

in protest at the Bosnian government's detention of several Serbs, including a general and a colonel, on suspicion of involvement in war crimes. Mladic himself has been indicted as a war criminal by a UN tribunal and is ineligible, under the terms of Dayton, to hold a public position. Holbrooke met Bosnian President Alija Izetbegovic soon after arriving in the Bosnian capital yesterday and told reporters: "We absolutely reaffirmed full compliance with Dayton... We furthermore reaffirmed America's support for Mayor Koshnick's proposals in regard to Mostar." Hans Koshnick, the EU administrator for the divided southern town, was attacked in his car on Wednesday by Croats angry at his plans for new municipal boundaries. Izetbegovic was earlier quoted as saying his government would hold on to those guilty of war crimes even if that jeopardized the peace process. (Reuters)

Computer beats Kasparov

PHILADELPHIA (AP) - A chess computer turned retreat into a winning attack Saturday to defeat world champion Gary Kasparov in the first of a six-game match. IBM's Deep Blue can master a move no human can accomplish: shifting through more than 200 million possible chess maneuvers per second. The duel is the first to pit human against machine for a regulation, six-game chess match. Kasparov ceded defeat on the 37th move when Deep Blue pined his king between a knight and a rook. Playing black, Kasparov was putting heat on Deep Blue's king in the 28th move when the computer managed to maneuver its way out of a defensive posture by capturing a key Kasparov pawn. The pawn was in position to move to the computer's final rank and be exchanged for a queen, which would have dramatically strengthened Kasparov's hand. By the 29th move, Grandmasters Yasser Seirawan and Maurice Ashley were saying that Kasparov lost. The glowering, 32-year-old Ukrainian champion left the game site in Philadelphia's Convention center without a word.

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Sami Michael: VICTORIA
Translated by Daiya Bilu (1995). First reviewed in The Jerusalem Post in 1993 upon its publication in Hebrew, Jeff Green noted that Michael is "an enthusiastic storyteller who does not shy away from high drama." Sensual, poetic atmosphere.
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Batya Gur: MURDER ON A KIBBUTZ: A Communal Case
Translated by Daiya Bilu (1994). The third Michael Ohayon mystery with plenty of "local color," by the author of *The Saturday Morning Murder and Literary Murder*.
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Aharon Appelfeld: FOR EVERY SIN (1989)
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Organ transplant

MICHAEL AJZENSTADT

The centerpiece of composer Ari Ben-Shabtai's latest symphonic work is an instrument that hasn't been heard in about 2,000 years.

The title of the 12-minute *Magrephah* is also the name of a type of organ that was used in the Temple, according to the 42-year-old Jerusalemite.

"Through this work I'm trying to recreate in my mind how this instrument sounded," he noted a few days before its local premiere.

Lorin Maazel will lead the Pittsburgh Symphony Orchestra within the framework of the Jerusalem 3000 celebrations. The work was first played in December in Pittsburgh, where one critic dubbed it "an important contribution to contemporary music."

When he received the commission, Ben-Shabtai began searching for a meeting point between the Jerusalem 3000 theme and the American orchestra.

The work, he says, "follows one

day in the life of the Temple. Israelites approach the altar as they are dancing and getting very excited." The American aspect was added once Ben-Shabtai imagined a Cecil B. deMille cinematic extravaganza.

"It's not that the music is Hollywood film music, quite the contrary," he states. "It is my musical impressions of a sort of a huge Hollywood-style backdrop."

In fact, the highly programmatic *Magrephah* is also subtitled *Symphonic Pictures from King Herod's Temple*.

Length was also a consideration in Ben-Shabtai's approach. There is a problem "when we are asked to write a short piece that opens a concert and which a large part of the audience can avoid by simply coming a little bit late. It does not enable you to explore and develop certain ideas. For such a piece you must write more simple music, although not necessarily more simplistic."

His twice-as-long *Symphonia*



Lorin Maazel will conduct Ari Ben-Shabtai's 'Magrephah' as part of Jerusalem 3000.

Chromatica won the first prize in the recent Israel Philharmonic Orchestra competition for a new symphonic work.

"It is still an overture, but a much longer one," he says of the work that the IPO also performed on tour under the baton of Zubin Mehta.

"Maazel leads the PSO in *Magrephah* Tuesday in Jerusalem. The program includes Mendelssohn's fourth and Sibelius's second symphonies.

Metal to go, hold the subtlety

DAVID BRINN

"We were death metal when we started out, and everyone else was hard-core and speed metal." If you understood anything in the previous quote by Paradise Lost guitarist Aaron Aedy, you should be writing about this kind of music instead of me.

I just mumbled "uh-huh" and continued jutting his pearls of wisdom on a call to Halifax, Yorkshire, last week.

The ex-death, hard-core, and speed metal and now just rock-'n'-roll-with-a-touch-of-metal band will be making an impressive third visit to our shores this month for a concert at the Tel Aviv Hangar on February 20.

"Our music has progressed. I haven't listened to any of that stuff in years," Aedy explains.

It was the un-rock-'n'-roll hour of 8 a.m. and Aedy had just finished digging his girlfriend's car out of a snow drift and was setting into a morning of telephone interviews with Israeli journalists. MTV has helped make Paradise

Lost one of the country's, and Europe's, most popular metal bands.

To most untrained listeners, the distinction between the various areas of above-mentioned metal music blur together into a big white noise that sounds like it's played at 78 speed. And since untrained listeners most likely can't hear anymore, we must generally take the bands' word when they describe what category they belong to.

However, I can vouch for Aedy that the band's latest release, *Draconian Times*, has tempos found in the real world and the guitars will not make your speakers melt. If you could survive Black Sabbath 20 years ago, you can make it through Paradise Lost today.

In fact, Aedy points to Sabbath front-man Ozzy Osbourne as the band's main influence.

"My dad played a bit of guitar. I remember him playing along to

Queen and E.L.O. and my mom like Abba," Aedy says with a snicker. "But once I borrowed *Blizzard of Oz* [an Osbourne solo album], I knew what I wanted to do."

The band members - Nick Holmes on vocals, Greg Mackintosh on guitar, Stephen Edmondson on bass, and Lee Morris on drums - met in their early teens and formed a band for the fun of it.

"We were basically a bunch of teenage drunks hanging around the pubs until someone suggest making a record to us, and we said, 'all right, we'll give it a go.'" Aedy recalls. Today, they are neither teenage nor drunk, but they have finished a five-week tour of Europe and Japan with their hero Osbourne and are preparing to crack the lucrative US market.

"We're relatively unknown in the US, but we hope that will change. Our previous records were handled there independently, but the new one has a lot of backing," he says.

The band is anything but unknown in Tel Aviv.

"The last time we came here, in '94, we had a record signing appearance at Tower Records, and we couldn't believe how many people showed up. We thought a couple dozen might come, but there were hundreds. They chased through the mall there. We felt like the Beatles," Aedy says.

The band played three shows in five days, so they had plenty of time in between to act like tourists, which was fine with Aedy.

"I remember seeing a picture when I was a kid of a man reading a paper floating in the Dead Sea, so when we came here, I made sure to drag everyone there. I loved it in Israel. I'm into history and mythology, so I loved all the archeological sites and visiting the Wailing Wall," Aedy says.

"You read about the trouble here and think everything is going to be in conflict, but it was fine. We even gave a lift to a couple of soldiers who were at the Dead Sea."

Black, proud, still single

FILM REVIEW ADINA HOFFMAN

Directed by Forest Whitaker. Screenplay by Terry McMillan and Ronald Bass. Based on the novel by Terry McMillan. Hebrew title: *Eino Aviv Le'ashuv*. 121 minutes. English dialogue, Hebrew subtitles. Not recommended for children.

Savannah _____ Whitney Houston
Bernadine _____ Angela Bassett
Gloria _____ Loretta Devine
Robin _____ Lela Rochon



Viewers might wonder when Oprah Winfrey is going to pop up from behind the couch, as these four black women talk about their problems finding good men.

Pleasant, moody and trivial in its essence, *Waiting to Exhale* is the cinematic equivalent of easy-listening music. The film tells the story of four gorgeous black women looking for love in Phoenix, Arizona, and is perhaps best appreciated for its smooth veneer and over-the-top glamour. The stars' cover-girl looks, silky wardrobes and postcard-perfect desert surroundings are hardly the stuff of tough realism.

It's a fantasy, then, a hip, black treatment of the themes that have filled the dizzy heads of white women's pictures from *How to Marry a Millionaire* on. In this sense, it's also a rethinking - if think isn't too hefty a term to use for such deliberate mindlessness - of the sociology-strapped best-seller by Terry McMillan, on which the movie is based. (She co-wrote the screenplay with Ronald Bass.)

That 1992 novel also relied on an ample dose of shock to keep us entertained. ("I fell on the bed and, through the open door, looked at his steamy silhouette in the mirror, feeling my body's growing excitement.") But at the same time it aspired to be something more: a pointed message

from the front lines about the difficulty of being single, middle-class, black and female, while the only available black men are, in the characters' own words, "ugly, stupid, in prison, unemployed, crackheads, short, liars, unreliable, irresponsible, too possessive..." etc.

McMillan's novel may well be an accurate depiction of the sorry state of African-American romantic relations and of the companionship that so many black women can only find with their girlfriends. On a literary level, though, the book suffers from a

tendency both to grandstand, Oprah-style, about male shortcomings and female strength, and to indulge in the sort of slapdash wishful thinking that lets the narrator describe the morning after a hotel-room tryst this way: "James thanked Bernadine for easing his pain. Thanked her for trusting him... He thanked her for everything, but especially... for restoring his faith in black women."

The movie, though, doesn't mess around with too much of this leaden sanctimony. First-time director Forest Whitaker has both a fluid visual sense and a musi-

cian's ear for speech rhythms. These let him weave the plot's loose pieces together into a sexy, coherent whole. And his own acting persona is apparent here not only in his work with the cast, but in terms of his personality. In places the film has the same goof-ball charm of one of Whitaker's own gently self-deprecating performances.

Because of the revolving-door nature of the women's love lives, it's crucial to create four likable and sturdy characters at the center. (At a certain point, keeping track of each new guy begins to seem

a weakness for fried chicken. McMillan and Bass's script swings between the four of them, and in this way keeps the action lively, for at least the first half.

But at two hours and a minute, *Waiting to Exhale* is definitely too long. The episodic nature of the outline, slick veg-out quality of the photography and general shallowness of the characters would be better enjoyed in one quick, glossy shot than in the film's present dragged-out form.

This is a question with no answer. But the classical music of our time really suffers and the time has come to change that."

Tempus Fugit will feature 20 different events in four days, most of which are no longer than one hour. Among the numerous musicians from abroad coming to the festival are the Arditti String Quartet, the Peabody Trio, clarinetist Charlie Neidich, and soprano Phyllis Bryn-Julson.

Time flies for new music fest

MICHAEL AJZENSTADT

The music and the venue will be Israeli, but the announcement came from the American Midwest.

Speaking via satellite from Chicago, composer Shulamit Ran announced last week the inauguration of a biennial music festival, Tempus Fugit, that will take place at the Tel Aviv Museum from March 18 to 21.

The Israeli composer noted that her major aim is "to give this festival an Israeli look."

"A third of this festival is Israeli. Twenty of the 53 compositions that will be performed were written by 16 Israeli composers."

She asserts that the festival's other goal is "to provide contemporary music a chance to survive after today and into the future. It is only for the performers to do that, and the audience, too, of course. Only through musicians who really care for the music of our time does this music stand a chance."

Ran, a Pulitzer Prize winner and the composer in residence of the Chicago Symphony Orchestra, teaches at the University of Chicago yet maintains a connection with Israel.

Ran was not ready to predict the possible commercial success of this new venture and whether local music lovers will actually show any interest in it.

"This is a question with no answer. But the classical music of our time really suffers and the time has come to change that."

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'I'll follow the sun,' says tap-dancer

HELEN KAYE

Hooper Will Gaines hates the cold. Back in 1963, when the William Morris agency told him that he had a nightclub gig in London, the American told them "no way. I don't want to go. It's too cold over there."

"I got off the plane and I was wearing a suit, long johns, an overcoat, a scarf, gloves, and a hat, and you know what, they had a heat wave over there."

He's since hung his hat in England, permanently.

He wanted to come here in the '60s, he says over the phone from his agent's office in London, "to get some of that good sunshine you have there," but it didn't work out.

However, he's finally coming to appear with Gilad Atzmon and his

band in the sixth Jazz, Blues and Videotape Festival at the Tel Aviv Cinematheque from February 22 to 24.

The band will play bebop, and instead of percussion Gaines will tap up a storm. That's how he started: dancing to bebop in a Detroit nightclub called The Frolic Showbar in 1948.

Gaines grew up in Baltimore in 1928, moved to Detroit, where he started to tap at an early age. He also began entering neighborhood competitions and winning "a couple of dollars. I didn't think about being a tap dancer, it was just a way to make money."

At the Frolic, "they had an amateur competition every week, and one week I won it. The prize was

\$50 and a week's work. But the owner, he liked me, and he kept me on for 13 weeks. The drummer was Babe Waters and he knew that I didn't know what I was doing, that I didn't know how to count. I listened for the melody, and there it was, every show, three shows a night and six on Saturday."

When the Frolic Showbar closed, its owner got the boy an agent. Pretty soon he was tapping in nightclubs throughout the Midwest and "Babe Waters would call ahead and tell the drummer I didn't know how to count but I could learn the melody."

Pretty soon, Gaines went to

New York and all through the '50s he was the opener for the biggest names in show business like Duke Ellington, Sara Vaughan, Charlie "Bird" Parker, Ella Fitzgerald and Lionel Hampton. The high spot of his career, and his big break, came "when I did the last live show ever with Cab Calloway at the Harlem Cotton Club."

Gaines then went solo, making a name for himself in the clubs, and one day Ed Sullivan wanted him on his enormously popular variety show, "but I didn't like TV," Gaines says. "You make a mistake and a million people see you. So I went to the studio and went out again the back way. When the William Morris people [Gaines' agent] called and said, 'Did you

go to Ed Sullivan?' I said, 'Yes, I was there.'"

He nearly refused a gig at the London Palladium for the same reason, but appeared there when he discovered that "white folks got rhythm after all. Jack Parnell's band played with Count Basie and Duke Ellington when they were there."

He has lived in England since, performing regularly at jazz clubs and nightclubs all over Europe. He danced for Princess Margaret in a command performance at Covent Garden. He danced at St. Paul's Cathedral in Ellington's *Sacred Concerts*. He has even gotten used to the cold, but with snowdrifts piling up all over Europe this week, "I'm looking forward to the sunshine."

It only took 10 years, but trumpet disc is finally completed

MICHAEL AJZENSTADT

Trumpet player and amateur athlete Dan Eshed has run in many marathons, but none has taken him as long as his most recent race.

Ten years after the project began, the Israel Philharmonic Orchestra musician is about to release *A Dance with a Trumpet*, a CD of light classical arrangements on the Helicon label.

It is a trophy at least as precious as the silver medal he was awarded in his age category from the most recent Eilat Triathlon. "Now at home I have two display shelves. One includes trumpet mouthpieces and the other showcases sport awards."

Record-label founder Roni Brown had strong ideas about the project from the start. "He wanted

to combine two opposing poles. He suggested that I meet with the best rock-and-roll musicians around, some of whom probably never even heard about Bach, and he said that they would provide the contemporary arrangements."

The first musician he worked with was a young Israeli returning home after studies in the US by the name of Rami Kleinstein. "We worked together and he did some very lyrical arrangements for me. I remember that in the first recording sessions there was this soldier who hung around the studio. Later she became Rita. Rami put all his energy into her career, so my disc was frozen."

Eshed got an unexpected boost during the Gulf War when the IPO wasn't working much, giving him

time to devote to the recording. "So for me when the cannons were firing the muse was working full speed."

The producers opted for more dance-style arrangements. "Eventually I worked with Yehoshua Ben-Yehoshua who arrived from the US and inaugurated a huge recording studio here. We finished the work and I was thrilled that I did it, but nothing materialized. I almost forgot about it until suddenly Helicon showed renewed interest."

Eshed is very happy with the disc, which features operatic chestnuts by Saint-Saens, Verdi, Donizetti, Bizet and Mozart side by side with selections by Vivaldi,

Bach and others in arrangements for acoustic trumpet with what he describes as "contemporary electronic material."

There is talk about shooting a videoclip to help market the disc, using the exotic Bacchanalia from Saint-Saens's *Samson et Dalila* and shooting it with authentic belly dancers.

Eshed concedes that not all the arrangements in the disc are exceptional. "Some are rather bland. We

were working with new techniques at the time and it took time to master them. The selections which were arranged last, sound the best."

Still, he's satisfied with the result and easily brushes off criticism. "Of course there are always those who say that this is not the way to create classical music, that it is too cheap. But on the whole the disc has already gotten great exposure on the various radio stations, and I'm very happy with that."

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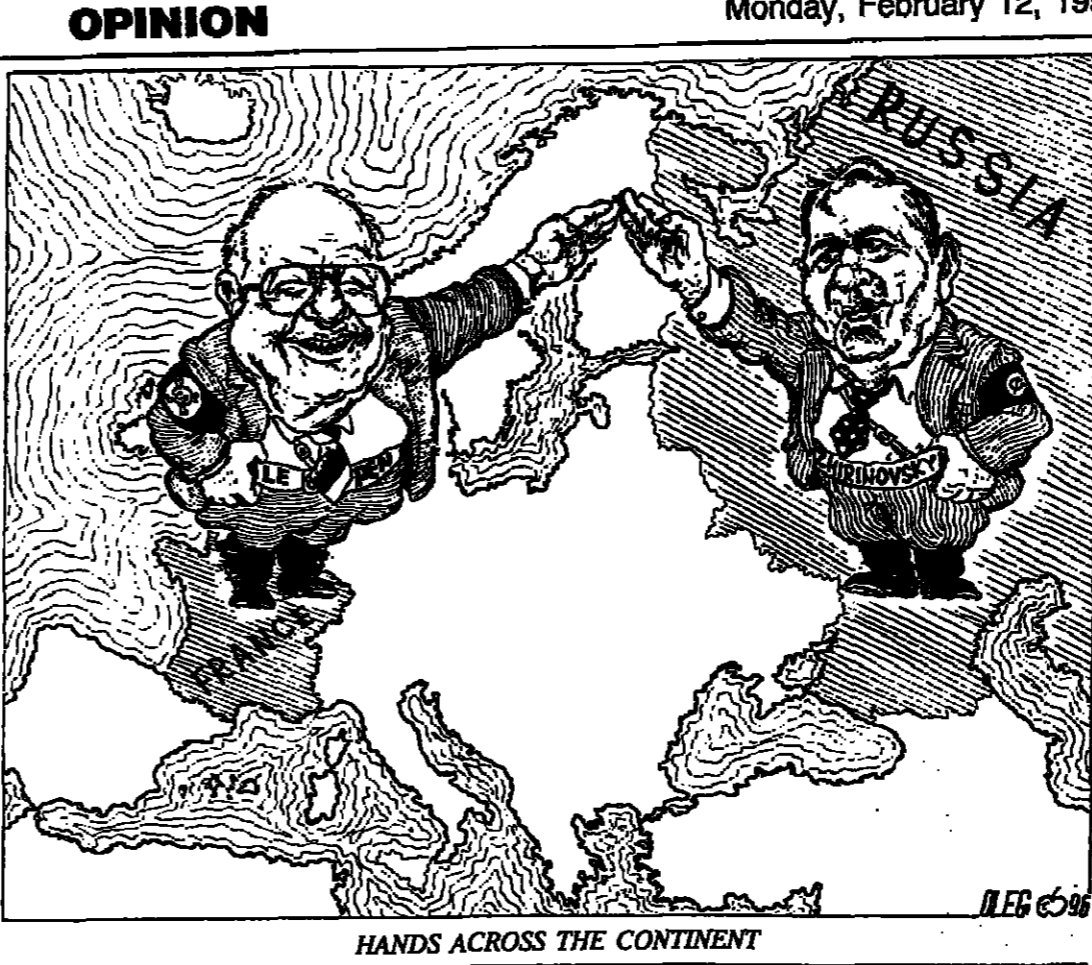
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The first fusillades

PRIME Minister Shimon Peres made it official last night: the elections will be held early, probably on May 28. And for the first time in Israel's history the electorate will be faced not with a supermarket of choices but with the need to decide between two candidates for prime minister.



HANDS ACROSS THE CONTINENT

Dreams and doubts

SINCE assuming the role of prime minister, Shimon Peres has abandoned nearly every tenet of Israeli policy vis-a-vis the Golan. Not only has Israel's strategy shifted, introducing a "new approach" to the negotiations; its leaders have declared their intention to offer Hafez Assad a deal he "can't refuse" — code words for complete Israeli withdrawal.

LETTERS TO THE EDITOR

THE MESSENGER Sir, — In her comment column of January 26, Judy Siegel-Itzkovich does not seem to understand where the problem exists regarding the stigmatization of Ethiopian immigrants. The problem does not lie with Ronel Fisher revealing that most blood donations by Ethiopian Jewish immigrants are destroyed. She is blaming the messenger and not the problem. Her advice that the offices of Ma'ariv be picketed borders on the ridiculous.

Sweet, bloody seduction

THE IRONY is that if it wasn't for the Irish Republican Army, Ireland would be effectively united by now. But you still can't help feeling sorry for poor old Gerry Adams.

The Haifa eyesore

SUSAN HATTIS ROLF Several years ago the mayor of one of the cities in the vicinity of Tel Aviv complained that the Haifa skyline had been ruined by a mosque which had been constructed in the city's Kababir neighborhood on Mount Carmel.

MY OWN reaction every time I pass the site on my way into Haifa is a feeling of decided nausea, but until recently I couldn't quite pinpoint the reason for its intensity.

Here They It's How

WHO'S A JEW Sir, — I refer to Norman Loberant's letter of January 30, "Cynical stand." Perhaps the question for the interior minister is not whom he should register as a Jew, but why he should register anyone as a Jew.

EDUCATION IN ISRAEL Sir, — After reading the letter form Deputy Education Minister Micha Goldman on January 12, we now understand one of the reasons the schools are in the mess they're in: it is the deputy minister can't do simple arithmetic, how can we expect more from the teachers and pupils?

THE POWERFUL MYTH OF THE GUNMAN: A 'TERRIBLE BEAUTY' The Irish Republic is a monolithic Catholic juggernaut that would crush them if they abandoned their British ties.

JERICHO 1996

There They Go Again



It's Reaganomics, Alive and Irresistible

By DAVID E. ROSENBAUM

MANCHESTER, N.H.

IN the minds of voters, the most important distinction between Bob Dole and Steve Forbes may not be that one has been a Washington insider for decades and the other has never held elective office. It may not even be that one must abide by rigid spending limits while the other has a seemingly limitless fortune to spend on his campaign.

No, as a political matter, the biggest difference between Bob Dole and Steve Forbes may turn out to be their prescriptions for the economy.

The difference comes with the return of what George Bush called "voodoo economics." Mr. Forbes, advocating economic principles that Ronald Reagan used 16 years ago to defeat Mr. Bush for the Republican

Presidential nomination, promises a pain-free tax cut. Senator Dole holds the conventional view that lowering the Federal budget deficit is the most crucial step the Government can take, agonizing as it may be.

In Washington and in academic circles, the overwhelming consensus is that Senator Dole's position is the responsible one and that the supply-side theories Mr. Forbes espouses were largely discredited in the 1980's.

But out here on the campaign trail, with the Iowa caucuses tomorrow and the New Hampshire primary in another week, Mr. Forbes is breezing ahead with his advocacy of a flat tax so low that everyone's taxes would be reduced and his precept that Government revenues would increase as a result of the economic boom that would ensue. This theme has proved so popular that he has leapt to the front of the pack and may even be outpacing Senator Dole.

Budget-balancing turned out to be a drag. Forbes led the G.O.P. to happier theories.

It is quite a turnabout in Republican politics. Mr. Forbes began his move in Iowa and New Hampshire just as the Republicans in Congress were shutting down parts of the Federal Government to reinforce their insistence on a balanced budget. So firm was their conviction that the Republicans had conceded that taxes could not be cut as much as they once hoped. For the sake of balancing the budget, they agreed to limit

spending for popular programs like Medicare and student loans.

As the public contemplated the price of fiscal rectitude, the Republicans' popularity began to fall. But Newt Gingrich and his disciples stuck by their guns. They shut down the Government twice. Finally, they dragged President Clinton into proposing a seven-year balanced budget himself. Senator Dole, who has spent a political lifetime preaching fiscal discipline, could do little but march along every painful step of the way.

Then, from nowhere, came Steve Forbes. The dirty secret was revealed that a balanced budget might not be so popular after all. All the other candidates were forced to start talking about reducing taxes.

Whatever happens in the primary here on Feb. 20, the Republicans have no doubt learned the lesson that a

Continued on page 3

The China-and-Taiwan Problem

How Politics Torpedoed Asian Calm

By PATRICK E. TYLER

TWENTY months ago, China and Taiwan were on the verge of opening their seaports to each other's shipping and inaugurating direct air service across the Taiwan Strait for the first time in nearly 50 years of barely suspended civil war. Now suddenly, pistols are drawn and the threat of military confrontation hangs in the air like grenade smoke.

How such a reversal could so suddenly threaten the stability of Asia is a drama in which there are four players, each with its distinctive contribution to the crisis. The first is the Republican Congress, which has spawned the most energetic coalition ever assembled to openly confront China while the second player, the Clinton Administration, has sought "engagement." Congress has promoted independence for Taiwan and Tibet, and it proposes sanctions every time China is found wanting on human rights, nuclear proliferation and the theft of a Mickey Mouse trademark.

Doing Business

Often lost in the American debate on China is the fact that for two decades, the Chinese on the mainland and on Taiwan have been getting richer, doing more business together, negotiating greater cultural exchanges and conducting a broader political dialogue than ever before. Millions of Taiwanese tourists have visited their ancestral homes on the mainland, renewed old acquaintances and forged new ones. An estimated \$20 billion in Taiwan investment has migrated to the mainland's cheap labor



Taiwan frigates in a military exercise as relations with China have deteriorated.

markets and unofficial conversations between Beijing and Taipei became the rule, not the exception.

But instead of nurturing this environment, many in Congress have allied themselves with the political machine of Taiwan's President, Lee Teng-hui, the third player in the piece.

To straddle the divided politics of Taiwan, Mr. Lee has been forced to court Taiwan's pro-independence voters, now thought to be nearly a third of the island's electorate. At the same time, he adheres to the Nationalist Party creed that reunification of China is the ultimate goal. In this schizophrenic environment, Mr. Lee's popularity goes up

every time he strikes a blow for Taiwan's international image; playing the American card has been the key to his strategy. In Washington, his political operatives tap American revision for Beijing's repression to enhance Taiwan's leverage in the running dialogue with the mainland.

Armed with Congressional backing, Taiwan has been emboldened by its own success into ever more energetic efforts to increase its leverage, including the now famous trip to Cornell University. To the average American, Mr. Lee's trip to upstate New York seemed innocent, even admirable. Wasn't the issue freedom of travel? In fact the trip was part of President Lee's strategy to change the political status of Taiwan. If there needed to be any other reminder, the trip occurred in the same year that Mr. Lee offered the United Nations a \$1 billion gift in an unavailing effort to win a seat there.

Wearing Fig Leaves

President Clinton's abrupt decision in May 1995 to let Mr. Lee visit — a first-of-a-kind trip for a Taiwan leader — nearly ripped away the last shred of the fig leaf put in place when President Richard M. Nixon normalized relations with China. The fig leaf was enshrined in the Shanghai communiqué of 1972.

"The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the

Continued on page 2

Fault Line

The perils of peace in Bosnia.

By Chris Hedges

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The Other Campaign

At the U.N., the candidates are off and non-running.

By Barbara Crossette

2



Two Kingdoms

Germany catches up with the teachings of one of its martyrs.

By Gustav Niebuhr

4

The World

In the Truce Line, A Vast New Divide

By CHRIS HEDGES

SARAJEVO, Bosnia and Herzegovina
THE 1,000-mile-long demilitarization zone that curves through the snowy Bosnian countryside is more than a testament to the end of the war, at least for now, in the former Yugoslavia. It has also created a new and important fault line for cultural clashes that could define the wars of the next century.

Yugoslavia, and especially Bosnia, has been where Muslims, Eastern Orthodox and Western-oriented Catholics met and did battle for centuries. All these people are south Slavs (that's what Yugoslavia means) but with the collapse of Communism, the discrediting of fascism and the failure of East European-style liberal democracy here, their cultural differences have become par-

Bosnians have only religious differences to define themselves.

amount. The multi-ethnic fabric that permitted many Bosnians and other Yugoslavs to identify themselves as members of a nation-state rather than an ethnic group has been further weakened by the "ethnic cleansing" of the last four years. And the American-brokered peace plan essentially cements the partition of these ethnic groups inside the new frontiers.

Croatia, which once had a significant Serbian minority, is now almost entirely Catholic. Bosnia has been carved up among the Serbs, the Croats and the Muslims. Ironically, the only real multi-ethnic state left in the former Yugoslavia is Serbia — although its minority groups have no significant political or economic influence.

Each of these new states is now firmly defined by its cultural and religious herit-

age. It is impossible in such states to gain full membership, as in Communist Yugoslavia, on the basis of adherence to an idea. Religion, as in much of the Middle East, defines identity. The Croats, for example, talk of the Croat community in Serbia, by which they mean Serbian Catholics. Only the Muslims have made an effort to preserve the semblance of a multi-ethnic society, but even this effort is waning, as illustrated by the recent resignation of Bosnia's former Prime Minister, Haris Silajdzic, the main champion of cosmopolitan democracy.

Religious Nationalism

The warring factions are all now infected with the same disease, a myopic nationalism defined by religious heritage. Each feeds off the atrocities and excesses of the other. And each needs the other, in a perverse way, to reaffirm its exclusivity. The leaders have no interest in diluting their power by calling for new, more inclusive forms of national identity. It is no accident that each side went out of its way to destroy mosques or churches.

In addition, the new ethnic states within the nominal Bosnian federation are seeking to enter into alliances with outside powers. The Serbs look to the Greeks and Russians, with whom they share a common religious and political experience, having lived under either Ottoman or Czarist rule. The Croats, who were part of the Hapsburg empire and are more economically advanced, look to Germany and America. It is unclear what will happen with the Muslims, but it is not encouraging that the most pronounced strategic clash between a Western and non-Western civilization is being played out behind the scenes in Bosnia.

The Islamic rulers in Iran have shown themselves alert for opportunities to extend their reach, and clearly they see a chance here for a foothold in Europe. So Bosnia has become the modern version of the great game — so much so that a promise that Iranian fighters and military advisers would be sent home was extracted from Bosnia at the Dayton peace negotiations.



Boots and guns outside a Muslim prayer service in Bosanska Krupa in October, after Bosnian Government forces retook the town.

Fifty years ago, in a battle that helped define another era, the Western allies and the Soviets fought for influence in Iran. Now Iran is playing a similar role in Bosnia.

Will the Muslim-dominated Government here lean more toward Teheran, which sent it weapons and money when the West wouldn't, or toward pro-Western Turkey, a more secular Muslim land that used to rule here and that has troops here now as part of the NATO peacekeeping force? On the most basic level, will the Bosnian Muslims define themselves exclusively by religion and Islamic culture?

The signs are not encouraging. The Bosnian Muslims, like secular Jews in Nazi Germany, have been handed an identity, even if it was not there before, by their persecutors. The attempt to maintain a mixed society saw hundreds of thousands of Muslims driven from their homes and thousands killed. And it was the Muslim radicals from places like Iran who came to aid Bosnia while the West kept an arms embargo.

The Muslims are well aware that the

Iranians will be eager to help long after the NATO troops are gone. The West, the Bosnians have found, can be a fickle partner, and they know the Americans expect to pull out after one year.

Civilizations Differ

Add to this the notion that civilizations really are different. The "universal values" promoted by the West are seen by many non-Westerners as a form of cultural imperialism. However much the Bosnian Government once pleaded for Western arms on the basis of its own cosmopolitanism, the fact is that it has been reduced to exercising authority almost exclusively over Muslims. And many of Bosnia's Muslims, like many Eastern Orthodox Christians, do not embrace such ideas as individualism and the separation of church and state. So there are at least the seeds of distaste for Western influence here — one thing that the disenfranchised Bosnian Muslims and the Bosnian Serbs, who feel totally misunderstood by the

West, have in common.

On the sidelines, for now, are the Serbs. They were defeated in the last round, but may not be entirely cowed, as shown by their severing of contacts with NATO last week. Historically the Serbs have been the shock troops employed to battle the Ottoman hordes from the East, and they assume that in the years ahead they will resume that role. The possibility that there would be an overtly Islamic state in Europe, allied with Iran, is one of the main reasons the French opposed the establishment of Bosnia in the first place.

The battle along this new fault line may for now be a cold one, with all sides held at bay by foreign troops and by a mutual reluctance to resume the devastation of war. But it would be foolish to think that fighting could not begin again. The nature and timing of such a conflict is yet undefined, but the geographical location is set. It runs on rutted dirt tracks that are patrolled by the nearly 60,000 NATO-led troops who put the zone in place.

U.N. Election Fever

Ready. Set. Don't Run!

By BARBARA CROSSETTE

UNITED NATIONS
IN a season of Presidential primaries and caucuses, hard-hitting television spots, raucous bus convoys, pancake breakfasts and snowbound photo-ops, it is easy to miss the other election of 1996.

In this election, most candidates won't even announce they are running. Nearly all the campaigning, or non-campaigning, will go on behind closed doors. More than likely, the winner will be decided before the voting takes place. There isn't even a date for the election. The prize: the title of Secretary General of the United Nations.

At the end of this year, Boutros Boutros-Ghali will complete a five-year term as the world's top diplomat, crisis administrator and — some would say — scapegoat. Surprisingly, a lot of people seem to want his job, including him, though he's not saying so.

Waiting for Clinton

To further complicate matters, the renewal of Mr. Boutros-Ghali's term or the selection of a new United Nations Secretary General is a decision that is directly linked to the American Presidential election. Many diplomats here believe that the United States will not make its preference known until after November. Traditionally, when the stakes are this high, no one moves in the United Nations until Uncle Sam speaks. But some American officials say that it will only be a matter of weeks before the White House makes the only decision that really matters: whether to invite Mr. Boutros-Ghali to stay or go.

As for the decision itself, most diplomats and officials here are betting that the Secretary General will stay on, if only by default. The job of finding a successor in the midst of a Presidential race and then selling the new candidate to the world simply would be too much for the Clinton Administration to take on now.

If the Republicans win in November, though, all bets are off. A hostile Republican Administration could create havoc in the final hours of Mr. Boutros-Ghali's first term. Then Europeans might seize the initiative in support of Mr. Boutros-Ghali, forcing the United States to veto or leave the field.

The Secretary Generalship is an oddball job. The United Nations Charter specifies only that the person in that job — "appointed by the General Assembly on the recommendation of the Security Council" — shall be the organization's chief administrative officer. In other words, the only powers a Secretary General has are those assigned to him by the General Assembly or Security Council. Sometimes the instructions are contradictory. Cut the staff, says one order. Create a new department, says another.

The Secretary General — who is paid \$286,075 a year (\$193,306 after deductions) and gets a \$25,000 expense allowance, a house on Sutton Place and a car and driver — spends his days preparing reports on current topics for the Security Council, reading volumes of cables from worldwide operations, traveling to mem-



Alison Seiffers

ber countries and talking on the telephone, almost around the clock, with government heads and his envoys in the field.

If the Secretary General tries to strengthen his own image or that of the organization, he draws immediate fire from powerful member nations, most often the United States. He is a leader who is not allowed to lead.

During the cold war, which began not long after the creation of the United Nations, neither the West nor the Soviet bloc wanted a strong Secretary General, and so candidates were chosen for their neutrality: Trygve Lie of Norway, Dag Hammarskjöld of Sweden, U Thant of Burma, Kurt Waldheim of Austria and Javier Pérez de Cuéllar of Peru. Mr. Boutros-Ghali, 74, is a former minister of state from Egypt.

The Wannabes

Since the end of the cold war, there has been no debate of significance here or in the capitals of the world about what kind of Secretary General the United Nations needs. But the emergence in recent months of some strong would-be candidates indicates that the time may have come for a more high-profile figure.

Garth Evans, Australia's Foreign Minister, is in the non-running, as is President Mary Robinson of Ireland. So are Prime Minister Gro Harlem Brundtland of Norway and Juan Soma-

via, who represents Chile at the United Nations and has been active in trying to steer the organization toward more global social issues. Two Africans are often mentioned: Kofi Annan of Ghana, an insider who has headed United Nations peacekeeping operations, and Richard Goldstone of South Africa, who is now chief justice of the international War Crimes Tribunal on the former Yugoslavia and Rwanda. Sadako Ogata, the Japanese scholar who is the United Nations High Commissioner for Refugees, would get enthusiastic backing, though she seems not to be interested.

By unspoken tradition, a Secretary General has never been chosen from among the five permanent members of the Security Council: the United States, Britain, China, France and Russia. Otherwise, would this be the place for Jimmy Carter, an ex-President with a growing record in international diplomacy, or Andrei Kozyrev, who recently resigned as Russia's Foreign Minister?

Sir Brian Urquhart, who worked for the U.N. for four decades before retiring as an Under Secretary General in 1986, says the world never had a better opportunity to invent a new process for finding a Secretary General. "Either this is an important job or it isn't," he said. "But the permanent security council members who control this thing have to be forthright about what they really want."

How Politics Killed Asian Calm

Continued from page 1

Chinese themselves." This simple statement, and China's consent to it, shelved the Taiwan problem, and allowed the United States to safely begin removing its military forces from the island. Thus the Taiwan question moved from belligerency to political deferral. Taiwan could take charge of its own destiny. It could walk, talk and act like a country and America would switch its diplomatic recognition to Beijing.

Even though it was a cold war instrument that put Beijing and Washington in common cause against Soviet expansion, the Shanghai communiqué ushered in the longest period of Asian peace and stability in this century and made it possible for Asia's vibrant new economies to emerge.

The latter-day strategies of Lee Teng-hui to enlarge Taiwan's political identity have attracted sympathy because of the actions of the fourth player in the drama, the Communist Party leadership in Beijing. Nothing has energized Taiwan's determination to stay separated from the mainland as much as the mainland's totalitarian ways. Since the Tiananmen massacres of 1989, Taiwanese have asked themselves why anyone would want to reunify with a government that disparages the very sort of democracy they have cultivated.

As Taiwan has sought protection against the unwanted advances of an increasingly brittle Chinese leadership, those advances have become all the more insistent. A new generation of Chinese leaders, none of whom possesses the vision or self-confidence that Deng Xiaoping showed in his prime, has seized on reunification with Taiwan as a kind of manifest destiny and as a means to tap the latent nationalism of the military, the party and of many ordinary Chinese.

A Temptation

Many Americans are now tempted to enter this fray on the side of Taiwan, to pursue confrontation or containment of the mainland. After all, why continue to sacrifice American ideals on human rights, democracy, trade and proliferation of nuclear poison to a set of outdated cold war agreements? Hasn't the Shanghai communiqué been overtaken by the reality of Taiwan's flowering as a powerhouse economy and a robust culture that every day disproves the silly notion that respect for law and human rights cannot coexist with the Asian tradition?

But this also is a trap for America, which spent much of the 1950's and 1960's in full battle dress, with American troops and nuclear weapons stationed on Taiwan and, still, Beijing never allowed the Shanghai communiqué to change everyone to put away the guns. The strategic weight of China as a foil against the Soviet Union may be gone, but it has been displaced by China's strategic weight as an Asian power whose political evolution is somewhere on the horizon. So all of Asia has a stake in a stable outcome.

The China-Taiwan dispute is a suspended civil war, easily as complicated as Bosnia and much grander in scale. If President Clinton speaks bluntly to Beijing, and underscores

If this suspended civil war resumes, nobody would win.

his bluntness with a display of American military resolve, that runs the risk of inciting Taiwan's independence movement even further.

And then it would be easy for Taiwan to openly declare greater autonomy or outright independence. China specialists who travel to both sides of the Strait fear that such a spiral could lead to war.

On the other hand, the United States could speak about the benefits to both Beijing and Taipei of stepping back, giving up any notion that either side can end a 46-year estrangement through unilateral actions, whether those actions are military (in Beijing's case) or political (in Taiwan's case).

If war comes, China's antiquated military would certainly come out the loser, but this is hardly the point. As irrational as it seems, the prospect of losing is not likely to deter the People's Liberation Army. Its logic rests on the belief that China is willing to make a greater sacrifice, suffer more destruction than America or Taiwan, in order to prevail on a fundamental issue of sovereignty. There would be no winners in a clash of such magnitude.

And it is worth remembering that while China is now ruled by faceless and unimaginative Communist bureaucrats, it is populated by 1.2 billion Chinese, most of whom look up to America and hope that America will help them; not confront or contain them; in their quest to join the developed world.

The Nation
States R
Round a
For Less
The Country

Japico Lisco

The Nation States Rally Round a Cry For Less

By CLIFFORD J. LEVY

THE governors who came up with a compromise last week to try to resolve the Federal budget impasse were not on a humanitarian mission to bring peace to Washington by pulling combatants from the Capitol's mud-wrestling pits. The governors' goal was power: to gain freedom from longstanding rules that tightly restrict how they can spend Federal money on welfare and other programs.

Power to the Counties

"One of the things that the Governor has said time and time again is that we are not asking for devolution in order to transfer power back to the state capital," said John Truscott, spokesman for Gov. John M. Engler of Michigan, a Republican and a leader in revamping welfare. "We want to get it down to the counties."

With fewer dollars coming from Washington, the real issue becomes local power.

Should states guarantee some minimum level of services? Would localities divert money intended for poor people to politically adept constituents?

The Specter of Mini-Bureaucracies

But some critics wonder whether decentralization will create mini-bureaucracies. New York City's effort to decentralize its huge school system, for example, led to community school districts often criticized as bastions of mismanagement and patronage.



The new legislation would phase out subsidies for most grain farmers, like the one above in Gove County, Kan., home state of Bob Dole.

Old MacDonald Has a New Policy

Sowing Confusion on the Farm

By BARNABY J. FEDER

THE universe, the British scientist J. B. S. Haldane once said, is "not only queerer than we suppose but queerer than we can suppose." The same could be said of American farm policy.

7-Year Cushion

In return for eliminating the current subsidies, the Senate is offering transition payments over a seven-year period. The payments are to help farmers prepare for the perils of a freer market in which bigger swings in prices are likely.

initially top what farmers would have received in the current programs. Unlike the transition payments, those programs are designed to pay most when times are hardest.

"It's like giving a signing bonus to people already in a welfare program," said Mr. Cook.

A Senate bill represents a giant step, but nobody is sure in what direction.

The support programs that the Senate wants to end cover six crops: corn, wheat, cotton, rice, sorghum and oats. Farmers who don't like the regulations imposed over the years as the price of eligibility for the subsidies can grow those crops any way they want, and forgo the subsidies, or they can grow something else.

To be sure, the covered crops are important. They account for nearly 75 percent of all planted acres. And other sectors of the agricultural economy, such as livestock, are dependent on them. But when politicians and farmers talk about "freedom to farm," they are really debating the price taxpayers and consumers are willing to pay to promote stability in this part of the farm economy.

It's Reaganomics, Alive Again

Continued from page 1

free lunch is ever more politically palatable than bitter medicine. And it is a safe bet now that the winner of the Republican Presidential nomination will run on a platform that promises a tax cut.



George Booth

models. For a flat-tax plan to raise as much money as the current tax system does, then it would have to hit most middle-income families with a tax increase — hardly a favorable prospect politically.

Mr. Forbes dismisses such calculations as "bogus numbers." His plan, he says, would unleash the economy and create so much growth and personal wealth and corporate profits that the Government would collect more tax revenue than it does under the current system.

Four elections ago, when Mr. Reagan was making this argument, some respectable economists accepted it. Today, hardly any do.

Mr. Reagan inherited a deficit (the annual amount by which Government spending exceeds receipts) of \$79 billion in 1981, and he immediately pushed through Congress a 25 percent tax cut over three years. By 1983, the deficit had nearly tripled to \$207 billion, and it reached a high of \$290 billion in 1992.

Because of a strong economy and deficit-cutting measures enacted in 1990 and 1993, the deficit last year was reduced to \$164 billion. But as Herbert Stein, who was chairman of Richard M. Nixon's Council of Eco-

nomics Advisers, observes, the national debt (the accumulation of all the deficits over the years) is now more than 50 percent of the annual gross domestic product, compared to 27 percent in 1980.

"We could afford Ronald Reagan once," Mr. Stein wrote last week. "We cannot afford him again."

Gary and Aldona Robbins, economic consultants in northern Virginia, are perhaps the economists most bullish about Mr. Forbes's flat-tax plan. They estimate that while deficits might rise in the short run, economic growth would be so strong over the next decade and a half that the budget would be balanced by 2010 without any reductions in spending.

But the Robbinses represent a small minority in their profession. Benjamin M. Friedman, an economist at Harvard, said he does not personally know a single economist now who believes that an across-the-board tax cut would lead to an increase in revenues. And Norman B. Ture, who was Under Secretary of the Treasury and Mr. Robbins's boss in the early Reagan years, said of the Robbinses, "I sometimes am concerned by an enthusiastically favorable set of results they get."

Principles Subverted

Economists like Mr. Ture who advocated the Reagan policies in the 1980's say the deficit exploded largely because the supply-side principles were abandoned. Taxes were raised several times after 1981. Government spending was not cut. Neither were Government regulations. The Federal Reserve kept interest rates high. All those policies, they say, worked to inhibit an economic boom.

Ideas & Trends

Undoing the Legacy of Nazi Courts

By GUSTAV NIEBUHR

In a famous moment of frustration described in the Gospel of Matthew, Jesus, contending with the doubts of his fellow Galileans, declared, "A prophet is not without honor, save in his own country."

For centuries, those words have been used to describe the tribulations of the deserving. But rarely have they seemed so appropriate as they did last week, when a group of Lutheran church members and human rights advocates in Berlin denounced the fact that the Lutheran theologian Dietrich Bonhoeffer, who was condemned as a traitor by the Nazi SS court in 1945 for having helped to plot an assassination attempt against Hitler, is still legally a traitor in Germany. (Although the verdicts of Nazi people's courts were declared void a decade ago, that declaration did not cover the SS courts.)

The revelation that Bonhoeffer is still legally a traitor struck a chord here and in Germany, because Bonhoeffer is widely considered a Christian martyr. His writings on faith and civic responsibility appeal to people across religious, national and ideological lines. Public demands for voiding the verdict against Bonhoeffer have been heard for nearly a year. Last April 9, on the 50th anniversary of Bonhoeffer's execution in the Flossenbürg concentration camp, for example, the Lutheran Bishop Wolfgang Huber of Berlin-Brandenburg called for the verdict to be stricken, so the country could publicly acknowledge the unfairness of the Nazi SS courts.

In an interview, Bishop Huber said he would also like to see a move to clear the records of other people convicted by those courts, including Army deserters. "The fact that Dietrich Bonhoeffer was a famous person, and these others are not famous but still alive,"

he said, "does not allow us to concentrate on Dietrich Bonhoeffer alone."

The demand for Bonhoeffer's legal rehabilitation suggests a gradual but profound shift in Germany's theological thought as well as a change in the democratic society that was built on the ashes of Hitler's Reich. It is as if Germany has finally caught up with the political ethics taught by Bonhoeffer.

"It hasn't been too long ago — it's been 25 years — that Bonhoeffer was regarded basically as a traitor by quite a few people of the conservative church establishment," said Heinrich Bedford-Strohm, a social ethicist at the University of Heidelberg. As recently as the 1970's, Bonhoeffer was seen by many as a man who had violated what was in Germany a foundational Christian teaching: obedience to the state.

The case of a "traitor" to Hitler suggests a new willingness to face the past.

This idea may strike many Americans as peculiar, for in this country there is a long history of civil disobedience and considerable sympathy for citizens who choose to follow their religious consciences over the dictates of secular rulers.

During the American Revolution, clergy members served as chaplains in Washington's army while many men in their congregations took up arms against the British crown. Since then, a significant number of American Christians have had little trouble finding

biblical justification for civil disobedience, often of the peaceful type like that practiced by the Rev. Dr. Martin Luther King Jr., but, occasionally the type characterized by fearsome violence like that of the abolitionist warrior John Brown.

Doctrine of the Two Kingdoms

For centuries, German Protestants read an opposite lesson in their tradition, for which they found justification in the writings of the Reformation leader Martin Luther. "The Reformation tradition among Lutherans is particularly wary of chaos in society," said Larry Rasmussen, a professor of social ethics at Union Theological Seminary in New York, who teaches a course on Bonhoeffer. "Another way of saying this is you don't have a history of Christians being involved in overt resistance to the government in Germany."

Dr. Bedford-Strohm attributes this to generations of Germans taking Martin Luther's "doctrine of the two kingdoms" literally. Luther differentiated between the religious realm of the church, in which Christians are called to follow Jesus's teachings of love, and the political realm of the state, in which law, rather than love, applies. In civil life, according to this doctrine, the Christian is expected to obey government authorities.

Luther did not mean to suggest that rulers possessed an absolute right to do what they pleased without regard to fundamental standards of morality, Dr. Bedford-Strohm said. But, he added, in the 19th century, German theologians elaborated Luther's theory in a way that allowed for such an understanding.

"In that doctrine, bad government and inhuman governments profited," said Dr. Bedford-Strohm. "Hitler profited by it."

Bonhoeffer's "Letters and Papers from Prison," a posthumously published work still widely available,



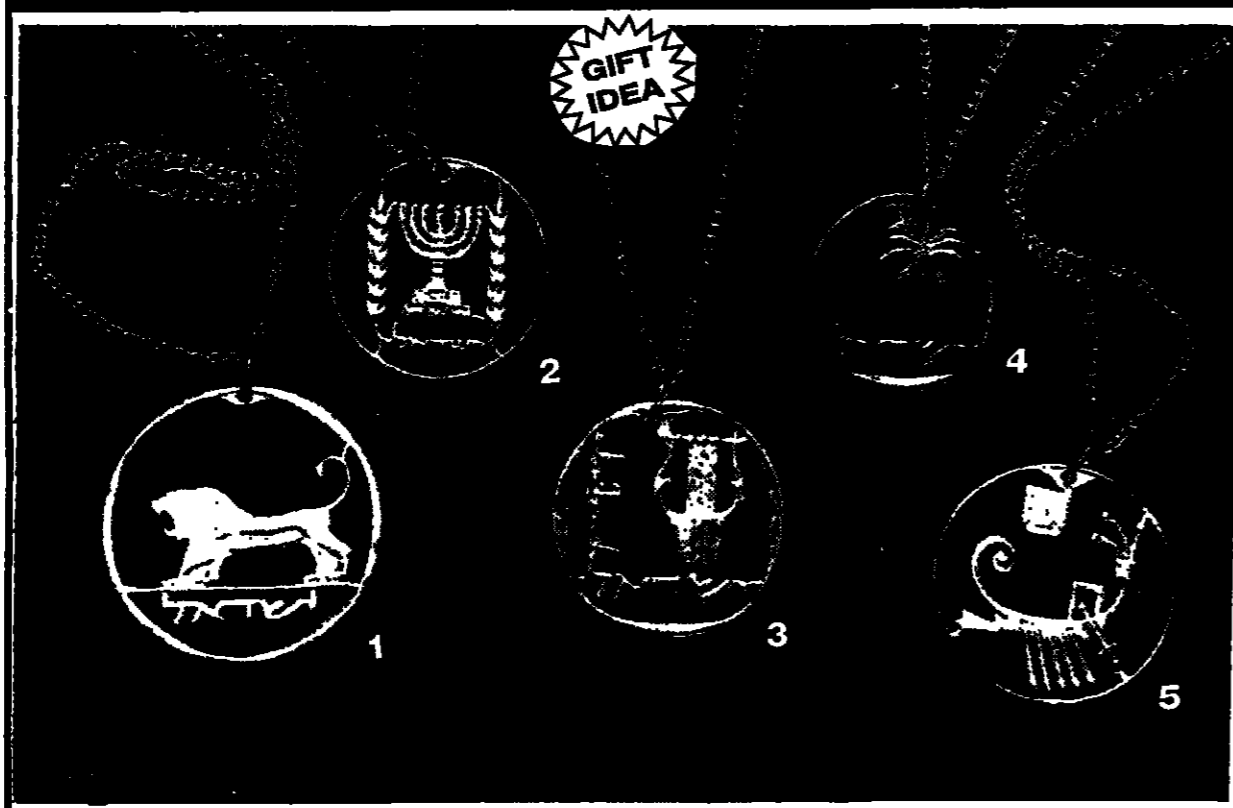
The anti-Nazi Dietrich Bonhoeffer in 1940.

includes an essay marking 10 years of resistance to Nazism. What he had learned, he wrote, was that Germans were very good at civil obedience and sacrificing themselves for a larger cause. Where they fell short, he said, was in "the deed of free responsibility," in taking unlawful actions for moral reasons.

Between the 25th anniversary of Bonhoeffer's execution in 1970 and the 50th anniversary last year, the theologian's reputation has risen in Germany. That, Dr. Bedford-Strohm said, is the result of "a more mature attitude of Germans toward democracy," a transformation that has been hastened both by soul-searching among a younger generation of Christians and by the emergence of a civic philosophy of public dissent that is evident not only in the fight for Bonhoeffer's legal rehabilitation but also in the German environmental and anti-nuclear movements. And quite appropriately, this civic philosophy is due, in large part, to Bonhoeffer himself.

"People realized we should stand up for our ideas," Dr. Bedford-Strohm said. "And I think that is something that can never be changed."

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Indians Take On the U.S. In a 90's Battle for Control

By GEORGE JOHNSON

FACED with an order last month from the United States Attorney to shut down their casinos, the leaders of some New Mexico Indian tribes responded as adamantly as reigning sovereigns of foreign powers. Unless they are allowed to continue running their lucrative gambling halls, they threatened, New Mexicans might wake up one morning to a nightmarish gridlock: highways crossing Indian land would be closed, including New Mexico's two interstates.

The threat was apparently effective. Late last month a Federal District judge approved an extraordinary deal between the Indians and the Federal Government: Prosecutors agreed to let the casinos stay open until a lawsuit challenging the Federal order has been settled. For their part, the tribes agreed to keep the highways open and to abide by whatever the Federal courts decide.

It almost seemed as though the tribes were being dealt with on an ambassadorial level. But for all their success in staving down the Federal Government, the tribes have been wielding power that is largely illusory. Any special status the tribes enjoy is granted by the will and the whim of Congress in its Constitutional power "to regulate commerce with foreign nations, and among the several states, and with the Indian tribes." Congress can undercut tribal autonomy anytime it wishes. And it does.

Over the years, Congress's political mood swings have left behind a bewildering legal netherworld: Indians can vote in both Federal and state elections but don't have to pay state income taxes. Tribal courts can try misdemeanors committed on the reservation by Indians (non-Indians are tried in their own courts). But major crimes are tried by Federal judges (or, in a few places, state courts).

A Special Set of Rights

Like other American citizens, Indians have Constitutional rights — as long as they are dealing with the Federal and state governments. But on the reservation, they are covered instead by the Indian Civil Rights Act of 1968, a kind of truncated version of the Bill of Rights that allows for theocratic governments.

The United States Supreme Court has ruled that tribes may exclude and expel visitors. Whether this would permit blocking New Mexico highways is far less certain, since the tribes have signed right-of-way agreements. But lawyers are in a quandary over just who — Federal or state officials — would enforce the agreements.

In 1830, without even a fig leaf of euphemism, Congress passed the Indian Removal Act, opening up farmland by herding as many Indians as possible west of the Mississippi. In those days the Office (now the Bureau) of Indian Affairs was part of the War Department. When the agency was moved to the Department of the Interior, in 1848, many tribes felt insulted. They were no longer being treated as nations but as natural resources to be managed on Federal preserves.

The next blow came in 1871, when the Government stopped signing treaties with the tribes, regulating them instead

with statutes, which do not require tribal consent. Under the General Allotment Act of 1887, many reservations were dissolved. Indian lands dwindled from 138 million acres to 48 million acres by 1934, when the Indian Reorganization Act, part of the New Deal, stopped the liquidations.

In the 1950's, the pendulum swung back the other way. Over the next 15 years, Congress abolished more than 100 reservations, redistributing the land to members. In the 1960's this experiment was abandoned and tribes were again given some control over their destiny. These days Congress finds it politically expedient to pay lip service to tribal sovereignty, but it remains very much in control.

Nothing illustrates this so well as the Federal Government's handling of Indian gambling. In 1988, alarmed by a United States Supreme Court decision upholding the right of a California tribe to operate a high-stakes bingo hall without state regulation, Congress passed the Indian Gaming Regulatory Act: In states that already allowed some form of gambling, tribes could open casinos, but first they had to hammer out the details with the state government.

First Bingo, Then Casinos

The tribes in New Mexico drove a hard bargain. Under state charity laws, churches and other non-profit organizations were allowed to run raffles and bingo games, and twice a year they could hold "Las Vegas night" fund-raisers. This was all the justification Gov. Gary Johnson thought he needed to reward the tribes, heavy supporters of his campaign, with the right to turn the Rio Grande into an elongated gambling strip. In return, the state would get a cut of the casinos' winnings.

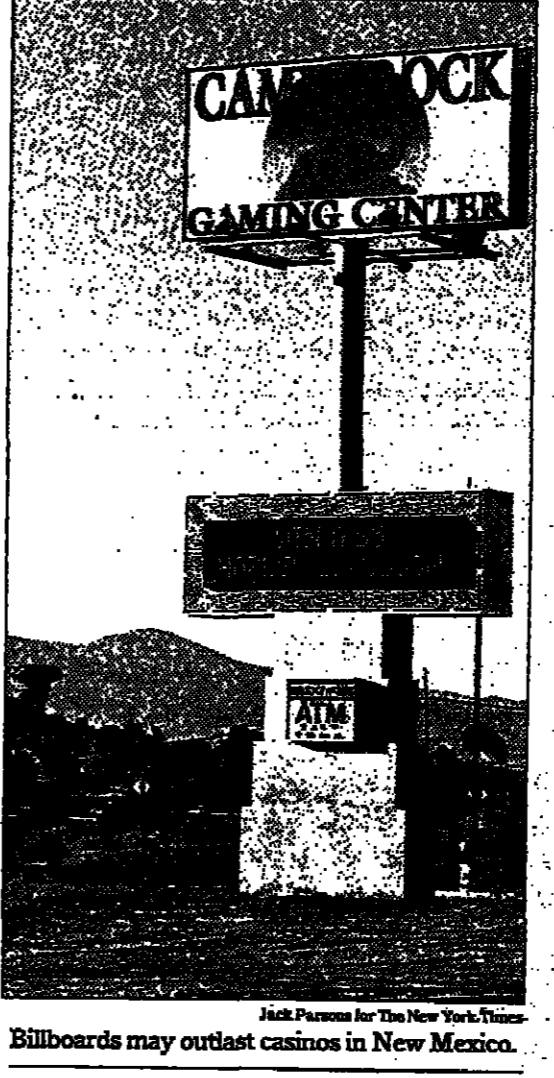
Ten tribes quickly opened multimillion-dollar gambling palaces. But the New Mexico Supreme Court, siding with gambling opponents, ruled last summer that Governor Johnson's pacts with the tribes were illegal because they had not been ratified by the legislature. In November the court dealt another blow to the casinos when it ruled that the state's charity laws did not allow Las Vegas nights. If the churches couldn't run casinos, then, under the Federal gaming act, neither could the tribes.

Tribal lawyers are awaiting the outcome of their lawsuit and lobbying the state legislature to amend the laws and approve the gambling pacts. They are running out of time — the annual session ends this week. Meanwhile, the tribes, many of them deeply in debt from construction costs, are rushing to make as much money as they can.

Later last year, long after the gambling pacts had been declared illegal, the tiny pueblo of San Felipe opened a garish, neon-lit casino on a desolate stretch of highway halfway between Albuquerque and Santa Fe.

In recent weeks, while negotiations were going on, the tribe was busy erecting half a dozen enormous green billboards, blotting out the view of the mountains and the desert. Mounted atop steel poles, the signs have the look of permanence.

Even if the new casino is ultimately forced to close, or goes bankrupt competing with the nine other casinos in the state, the ugly monuments will probably remain, reminders of how far, in the delicate relationship between the tribes and the Government, sheer stubbornness can get you.



Billboards may outlast casinos in New Mexico.

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FILM

'City Hall' Enters Maelstrom of Municipal Politics

By BRUCE WEBER

KEN LIPPER, New York City's (and maybe the world's) best-connected screenwriter, tells a story about his introduction to the relentless deal-making that goes on behind the scenes in municipal politics, the milieu of the new film, "City Hall."

The year was 1983, and the scene was a small Italian restaurant in Greenwich Village. Mr. Lipper, just appointed deputy mayor for economic development by Edward L. Koch, had been invited to lunch by the legendary party boss of Brooklyn, Meade H. Esposito.

"An absolutely charming man, expansive, sweet, funny, a little wicked, one of the more beguiling people you'd want to meet," says Mr. Lipper, who has been a lawyer, investment banker, philanthropist, chief executive and gazillionaire — not, in other words, someone likely to need a beginner's lesson in anything.

But Esposito saw otherwise. His agenda that day, apparently, was to persuade Mr. Lipper to support a city subsidy for a Brooklyn boat builder, Coastal Dry Dock, which was threatening to leave New York for Alabama unless it received help in paying its electrical bills. But Esposito barely mentioned Coastal, except, Mr. Lipper recalls, for a brief moment of gentle pressure: "Ken," he said, "I'm not telling you what to do, but you should at least go out and meet with them. They're good people, Ken. They're citizens. They pay taxes. You've got to give them an electricity break, or we're going to lose all these jobs to Tuscaloosa."

Mr. Lipper says he told Esposito merely that Coastal would be given a fair hearing. Later, when the waitress brought the \$38 check, beyond the \$5 limit on gratuities that officials were allowed to accept, Esposito tried to sign it.

Mr. Lipper picks up the story: "I say, 'You can't pay for that,' and he says, 'O.K., you made your point. Now be courteous. I invited you.' I say, 'That's all well and good, but you can't pay for it.' So he looks up at the waitress, gives the check back and says: 'Put a cutlet in the bag for the wife. The jerk's paying.'"

As a rebuke, it was wry but firm: learn the rules, kid. But Mr. Lipper recalls it as a characteristic moment: "I don't want to give the impression that I'm above anything, but there is no limit to how careful you can be."

That is precisely the lesson in the screenplay Mr. Lipper wrote.

In the film, which opens on Friday and stars Al Pacino as the Mayor of New York, a casual political favor involving a fixed probation report for a mob-related drug dealer is exposed when the dealer is killed in a shootout that also claims the lives of a police officer and a child. Well-intentioned people and substantial lives in public service are destroyed because of back-room deals that seemed harmless when they were made.

(Although Mr. Lipper's original ideas for the story dominate the film, his actual words do not. Several screenwriters followed him on "City Hall," and Mr. Lipper took the issue of who should get credit to the Writers Guild of America for arbitration. In the end, he prevailed. The credit reads, "Written by Ken Lipper and Paul Schrader & Nicholas Pileggi and Bo Goldman.")

In addition to Mr. Pacino, the \$45 million film, directed by Harold Becker (whose credits include "Sea of Love"), stars John Cusack as the idealistic Lipper-like Deputy Mayor, Bridget Fonda as a lawyer for the slain police officer's family, Martin Landau as an unfortunale, beleaguered judge, and Danny Aiello as the Brooklyn party boss, based in part on Esposito and in part on Donald R. Manes, the Queens Borough President who committed suicide after his involvement in a 1988 corruption scandal was revealed.

Mayor Koch has a small role as a television commentator, and Mr. Lipper makes a cameo as the City Council president. The casting is ironic in that Mr. Lipper left the Mayor's office in 1985 after only two years to run for the council presidency (a job now called public advocate) and, after a vitriolic campaign on both sides, was soundly beaten by Andrew Stein.

"This time I got the job by accident," says Mr. Lipper, and it's hard not to note that he has himself corrected history in a rare instance over the last 30 years when his confidence — even hubris — has not been rewarded with success.

Ken Lipper, the second son of a Bronx shoe salesman, won a full scholarship to Columbia, graduated from Harvard Law School, changed careers after six months as a lawyer, earning a partnership at the Lehman Brothers investment bank at age 31, and, in 1976, moved to Salomon Brothers, quadrupling his salary.

Living in the upper echelons of power, Mr. Lipper is now a Rockefeller Brothers Fund trustee, and his own investment concern, Lipper & Company, begun in 1986 to handle his family's money, manages \$3 billion in assets.



John Cusack, left, and Al Pacino in "City Hall" — Politics.

He is a consultant to the Clinton Administration on the Federal budget, and his friends (according to a list he provides) include former Secretary of State Cyrus R. Vance, Senators Bill Bradley of New Jersey and Ernest F. Hollings of South Carolina (who has a role in "City Hall"), and the actor Michael Douglas and the director Oliver Stone, with whom he worked as a consultant on the 1987 film "Wall Street." Since then he has entered a film production business in partnership with Edward R. Pressman, the veteran producer of "Wall Street"; together, they produced "City Hall."

And that isn't all. Overwhelmingly successful financially, Mr. Lipper married money before he made it. He met his wife, Evelyn Gruss, on a blind date while he was at Harvard Law School and she was a freshman at Simmons College. (She is now the head of the child development division at New York Hospital-Cornell Medical Center; they have been married nearly 30 years and have four daughters.) The philanthropic donations of her father, Joseph Gruss, an oil and gas magnate who had escaped the Nazis in Poland, totaled more than \$300 million at his death in 1993.

Mr. Lipper entered politics in 1982 when, at the behest of the consultant David Garth, he joined Mr. Koch's

unsuccessful campaign for Governor as an economics adviser. He was named to the administration during the second of the Mayor's three terms. It was a time when the city had just emerged from economic crisis, and Mr. Lipper was charged, in the words of Paul Dickstein, then the city's deputy budget director, "with jump-starting an economic development program."

To a significant extent, he succeeded. It was the height of the real estate boom in Manhattan; commercial space was at a premium, rents were soaring and businesses were being driven off to the foreign ports of New Jersey and Connecticut. Mr. Lipper's strategy was to develop commercial office space in the boroughs outside Manhattan, using tax breaks and other subsidies to interest builders and lure companies to the new buildings.

Among other things, he was an advocate of Teleport, a Staten Island industrial park built around a telecommunications center. Planned since 1979, it was to open in 1983, but in a move that Mr. Koch cites as typical of his deputy mayor's aggressive supervision of the city coffers, Mr. Lipper single-handedly held up the project for a year to renegotiate a nearly done deal with

the city's co-developers, particularly the Port Authority of New York and New Jersey. The Port Authority was then headed by Peter Goldmark, now president of the Rockefeller Foundation.

"Peter Goldmark was going to walk all over us, and Ken wouldn't let him," Mr. Koch says.

Perhaps not surprising, it was a success that came with a reputation for arrogance. Among his chief critics is Mr. Goldmark, who to this day is blistering in his private assessment, although he will not speak about Mr. Lipper on the record at all except to say that the version of the Teleport story that casts Mr. Lipper as the hero "is not at all accurate."

"City Hall" is after a high degree of verisimilitude. For the first time, the actual City Hall building was rented as a film set, the result of a policy-reversing decision last year by its chief inhabitants, Mayor Rudolph W. Giuliani and the Speaker of the City Council, Peter Vallone. (The \$50,000 fee is being applied to renovations at City Hall.) And it was Mr. Lipper, still a senior adviser to the City Council, who made sure the actors had access to the local denizens, including the Mayor.

Mr. Cusack, who took time to observe some New York political specimens while preparing for his role, was struck by their passion for secrecy. "Whenever they go to meetings, or to a breakfast or anywhere, they shake hands, hold on and whisper," he said. "There's always some exchange. It's like a virus all these people have — always a handshake and then a close, ear-to-ear whisper — people telling secrets all the time, right in front of everyone."

There are limits, however. Mr. Cusack says he isn't really playing Mr. Lipper; indeed, his character, Kevin Calhoun, an Irishman from Louisiana, is hardly a Bronx Jew. One of the film's running jokes is that Kevin has a hard time with the Yiddishisms he hears around him, particularly *menschkeit*, literally "a man's code of behavior," used to refer to the unspoken rules by which politicians conduct their bargaining.

"It was a word Stanley Friedman always used to use," Mr. Lipper says, referring to a former Bronx Democratic leader who went to jail in 1988 for illegal involvement in the sale of computer software to the Parking Violations Bureau, the same scandal that brought down Manes.

And even though Mr. Pacino borrowed from Mr. Koch the mannerism of riding in the Mayoral limousine with his head tilted back in exhaustion, his character, John Pappas, is not modeled on Mr. Koch. The paradigm, Mr. Lipper says, is not a mayor at all but Creon, the tragic monarch from Sophocles' "Antigone," whose impossible choice is to yield his authority as king or put to death his beloved niece for willfully defying a cruel edict.

Characteristically grandiose, Mr. Lipper says he conceived the theme of "City Hall" after seeing "Antigone" Off Broadway in 1988. "It suddenly struck me: that's the core of government experience," he says. "He orders her to death, against all of his feelings, all of his will, but he does it to prevent anarchy. He has great moments of ambivalence. It was that sense of frustration versus duty that intrigued me about the government."

Kevin Calhoun may not be Ken Lipper, but there is a scene in "City Hall" in which the script credits the character with the same tenacity and righteousness. In it, Frank Anselmo, the Brooklyn party boss, calls Kevin "a reed."

"Blow him, and he bends," Anselmo says. To which the mobster replies: "Not this kid. This one's different."

Kevin, of course, is the story's hero. Which brings us back to Meade Esposito. At some point after their notable lunch, Mr. Lipper took up the case of Coastal Dry Dock, in the end denying the pleas of both Esposito and another advocate in the case, Representative Mario Biaggi of the Bronx, for the city to grant the company an energy subsidy.

Eventually, Coastal went out of business, leaving a \$300 million Pentagon contract unfulfilled, and Esposito was convicted of bribing Mr. Biaggi. But not until Esposito's trial in 1988 did the world learn that in 1988 did the world learn that at about the same time he'd had lunch with Mr. Lipper, Esposito had paid for a Florida vacation for Mr. Biaggi; the jury ruled the vacation was an illegal gratuity for Mr. Biaggi's attempted influence on behalf of Coastal Dry Dock. That's why Esposito and Mr. Biaggi went to jail.

During Esposito's trial, Mr. Lipper was called to the stand. Among other things, he was asked: who paid for the lunch?

Spats Over Foreign Films

By JOSH YOUNG

THIS year seems typical when it comes to the Oscar race for best foreign-language film. That is to say, complaints and conspiracy theories are rampant. And, as usual, they center on why certain films were not nominated by their respective countries and how difficult it is to change the eligibility rules. The five selected films will be announced on Tuesday, along with other Oscar nominations.

Some of the most talked-about foreign-language films released here last year will not be among the nominees because they were not offered up by their home countries. These include several that were critically praised: "Shanghai Triad," from China; "The Postman" ("Il Postino") and "Lamerica," from Italy, and "Wild Reeds" and "Les Misérables," from France.

Even eligible films have encountered significant problems. The Iranian film "The White Balloon," the story of a young girl's quest to buy a goldfish, narrowly escaped being withdrawn. Tehran tried to pull it back, saying Washington planned a covert operation against the Iranian Government. The Academy of Motion Picture Arts and Sciences refused on the grounds that the foreign-language film committee members had already begun screening "The White Balloon."

Another political squabble has swirled around "Underground," a film from Yugoslavia about two small-time gangsters who join the Communist Party at the beginning of World War II. Since "Underground" won the prize for best film at the Cannes International Film Festival last year, it has been the subject of a heated debate in France centering on the politics and loyalties of its director, Emir Kusturica.

"Underground" has also become the subject of a legal debate. Days before it was scheduled to be shown to the Academy's committee, the film's distributor, City 2000, asked that the screening be postponed on the grounds that the film contained potentially libelous material about an individual who believed he was being parodied. The problem was resolved when a shorter, 25-minute version of the film, also released in Yugoslavia, was submitted.

Despite its problems, "The White Balloon" is considered a contender for a nomination, according to some members of the Academy's commit-



Marisa Paredes in Pedro Almodóvar's "Flower of My Secret," from Spain.

tee. Other films mentioned are "Antonia's Line," from the Netherlands; Bo Widerberg's "All Things Fair," from Sweden; Pedro Almodóvar's "Flower of My Secret," from Spain; Giuseppe Tornatore's "Star Maker," from Italy, and two dark-horse candidates, an Algerian film called "Dust of Life" and "Wild Horses" from Argentina.

This year, only about 400 of the Academy's more than 5,000 voting members volunteered to judge the 41 eligible foreign-language films. (Only countries belonging to the United Nations may submit a film, and only one film per country may be entered.) The films were divided into two groups, which were each shown to half of the members. To vote, members must see roughly 16 of the films in their assigned group. According to Bruce Davis, executive director of the Academy, about 325 members were qualified to vote this year.

Because of the investment of time required to see 16 films, the committee is composed mostly of retired Academy members. The director Paul Bartel, the producer Mark Johnson and the cinematographer John Bailey are among the few working film makers who participate.

As in past years, there has been considerable carping about the films being offered by selection committees in foreign countries. Chinese politics may have played a role in the exclusion of "Shanghai Triad," Zhang Yimou's drama set in the 1930's. It was passed over by the Chinese selection committee in favor of "Red Cherry," directed by Ye

"Red Cherry" is about two children who are sent to the Soviet Union to be educated. Though "Red Cherry" was the most popular film last year in China, many observers believe that politics was involved in the Chinese Government's nomination of Mr. Ye's film instead of Mr. Zhang's.

Mr. Ye's father was sent to the Soviet Union to be educated; there, he was a classmate of Li Peng, the Chinese Prime Minister. Mr. Ye's grandfather was General Ye Ting, a member of Mao's army; the general is regarded as a Communist martyr.

It should also be remembered that last year the Chinese Government forbade Mr. Zhang to attend the New York Film Festival for the opening night of "Shanghai Triad." In 1994, he was not allowed to go to the Cannes film festival when his film "To Live" was shown there. And in 1990, the Chinese Government tried but failed to withdraw his film "Ju Dou" from being considered for an Oscar nomination.

"It's really obvious that the Chinese Government wants to keep Zhang Yimou down," said Michael Barker, co-president of Sony Pictures Classics, the company that is distributing "Shanghai Triad."

Critics of the current system have suggested that all foreign films released theatrically in the United States during the past year be eligible for a nomination. If this were the case, "Shanghai Triad" and "The Postman" would have been eligible this year. The films "Wild Reeds" and "Les Misérables," which were passed over by France in favor of "French Twist," also would have qualified.

But the current rule of one film per country is apparently not going to change. "We would rather keep the category eccentric and manageable," said Mr. Davis. "We can make this category go away if it becomes too difficult to administer or if we are making more people angry than happy."

Bruce Feldman, a committee member who used to be a marketing executive at Universal, adds, "If any Academy members have a problem with the selection committee, they should serve on it." As an added inducement, this year's screenings, which ended last Sunday, were accompanied by fudge, crudités and the occasional steamed dumpling instead of the packaged cookies of years past.

AS ELMER FUDD WOULD SAY...

BY HARVEY ESTES / EDITED BY WILL SHORTZ

ACROSS

- Bumps one's gums
- Miles of film
- Barefaced
- Model for the writer La Fontaine
- I.R.S.'s tax portion, seemingly?
- The buck private stops here
- Fridge device
- Marry feisty lady?
- Gizmos for office files
- Fernando
- Friendless
- Mind
- Retiring
- Sandra Bullock film, with "The"
- Jenny Lind, e.g.
- Show overanticipation
- "Henry IV" role
- Kind of jacket
- Street vendor's offering
- Abductor of Helen
- Start of a drive
- Summer abroad
- Slalom markers
- George Meredith novel, with "The"
- Ominous cloud
- Check
- Day's end
- Red River delta city
- Unseemly
- Musical standouts
- 75 inclines
- Speaker's aid
- Runs in place
- Lounges
- Overhaul
- Manhattan buyer
- Monte —
- Sleeper's problem
- Word of surrender
- Tackling on
- Madonna's record label
- White sheet
- Like some teeth
- Rubes, in old slang
- Unperturbed
- Star, e.g.
- "Dart!"
- Long —
- "And I Love —"
- Bowl over
- Upright
- Calculator feature: Abbv.
- "Charlie and the Chocolate Factory" author
- Relevance
- Clown Kelly
- Letter closer
- word —
- Educ. org.
- In hiding

18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108
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ANSWER TO PREVIOUS PUZZLE

SCAN LADD GARS ALIBI
 PACA TSEE RIATA FATAL
 ONTIBALL ORCAS DESE
 TWILBETU WELLDOME
 LEVCHREADED LDATA
 LAPEEL INSIDEDP ETOM
 EAT SINGE REDD WINT
 STOAS IGLOOS APPEASE
 FARCREET IAN ASOR REC
 STORN ASK ABBREGATE
 STRAIGHTSHOOTER
 BONAPARTE REA LINES
 APE QUNTO DEN ADAPTIVE
 REGATTA RHEIDS NAXIS
 BRER SINO PIPER PEA
 SAVE PASSWORD NONCE
 AVOVS DOWNTDARTH
 APOWERSHOUSE IEN ALCOA
 LABAN TBSEN FAULTLESS
 FLOYD PETES ELSE ANAT
 ARESIS BAKE DETS STYE

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The G.O.P.'s Grand New Struggle

Heavy, heavy, heavy is the mantle of inevitability. Just ask poor Bob Dole, the latest victim of the voters' quadrennial struggle to escape an arranged marriage. Inevitability panic is often associated with the Democrats, but Republicans are not immune. Witness the serial levitations from the Republican pack. First Steve Forbes, a trust-fund poster boy, surfs along as the lets-lower-my-taxes-even-if-we-have-to-raise-yours candidate. Then the Louisiana caucus coughed up Pat Buchanan as the latest and most unlikely in a long line of Huey Long reincarnations. Now Lamar Alexander, who brags that he is less tired than Mr. Dole and less naïve than Mr. Forbes, is moving up in Iowa.

Some media critics want journalists and voters to ignore the horse race, a mindless instruction in light of the fact that this particular race is intertwined with an important development in Republican politics. A Los Angeles Times headline, "G.O.P. Class Warfare Erupts as Candidates Assail Forbes," was on the money, so to speak.

The battle was triggered by a slowly dawning awareness of what the flat tax really means beyond being a handy way for the Republicans to hand the fall election to President Clinton. It would save millions of dollars for Mr. Forbes and other holders of inherited wealth in capital gains and estate taxes for decades to come.

That aspect of this "truly nutty idea," to use Mr. Alexander's words, has opened up the Republicans' most divisive intramural issue — the question of whether the party is going to serve the economic interests of the old guard that shaped its traditional policies or the middle-class voters who gave it the White House in the 80's and control of Congress in 1994. Huey (the Kingfish) Buchanan placed his bet in Louisiana by promoting his new "conservatism with a heart." He is championing the Republican middle managers who are getting laid off against another Republican faction, the downsizers who are fattening quarterly earnings at the expense of career employees.

The London Bombing

A terror bombing in London on Friday evidently signaled the end of the Irish Republican Army's cease-fire, declared in September 1994. The bombing, which killed at least one person, injured more than 100 and rocked the eastern dock area of the city, gives violent pause to what has been a fitful but hopeful effort to bring peace to Northern Ireland. There is no justification for such a wanton attack against civilians. All parties to the Irish conflict must rededicate themselves to finding a peaceful resolution of this long and brutish conflict.

If the I.R.A. as a whole is responsible for the bombing, which it yesterday claimed to be, its leaders have made a terrible mistake by returning to violence. They cannot gain more through terror than they can through the patient pursuit of peace. If anything, a new campaign of terror will only set back their cause and wound their people.

If the bombing was the work of a faction within the I.R.A., the commanders of the overall organization must persuade their colleagues to hold their fire. Gerry Adams, head of Sinn Féin, the political wing of the I.R.A., has pushed his friends toward peace. It will be all the harder for him to keep pressing now, but having seen the potential for reconciliation in his homeland, he said yesterday he would do so. The Irish Government in Dublin should help him.

Prime Minister John Major of Britain should reconsider his approach to arranging all-party peace talks. He has been playing a dangerous game of brinkmanship with the paramilitary groups,

A Sweet Deal for General Electric

The General Electric Company is one of New York State's biggest employers, providing 13,000 jobs at 7 major sites. It is also one of state's biggest polluters. According to a state report released last year, its silicone factory at Waterford caused more toxic ground pollution than any other plant in the state for the seventh straight year.

As the Pataki administration came into power, the Department of Environmental Conservation was preparing to punish the company for environmental violations at Waterford, including releases of toxic materials into the Hudson River, the ground and the air. Last fall a deal was announced in which General Electric was allowed to make a tax-deductible contribution of \$1.5 million toward environmental projects in the region in lieu of fines. Environmental groups, Democrats in the State Legislature and even the Attorney General, Dennis Vacco, criticized the deal, saying G.E. had been let off too easily. They were right.

Two aspects of the deal are troubling. One is the allegation, supported by D.E.C. internal memoranda, that the company threatened to take its planned expansion of the Waterford plant elsewhere if a large fine was levied.

Another is that the settlement included the financing of a boat launch and wetlands reclamation project near the home of the Environmental Conservation Commissioner, Michael Zagata. The program under which the settlement was brokered

Just as the Democrats have been riven at times by racial and union issues, the Republicans could face powerful internal strains over income. They like to argue that the Democrats are the party of class warfare, but it is Phil Gramm who has been calling Mr. Forbes "Richie Rich." Both Mr. Gramm and Newt Gingrich have criticized Mr. Forbes for wanting to take a free ride on investment income while taxing wages and salaries through payroll deductions. Mr. Dole has said that he cannot favor a plan that takes away the home mortgage exemption and loads a \$200 billion deficit increase on the backs of wage earners.

Mr. Forbes's policy guru, Jude Wanniski, has recognized the threat in this line of attack and is circulating a memo arguing that Mr. Forbes is the true populist because he wants everyone to get rich. He makes a strained argument that "Forbes is not Old Wealth" since his grandfather started the fortune. It is Bob Dole, according to Mr. Wanniski, who serves the class at the top of the pyramid and is "biased toward preserving and protecting its wealth."

If the Forbes camp is going to play the politics of resentment against Mr. Dole, it had better be careful. Mr. Dole is the Mozart of resentment. Nobody does it better, and for all the rocks in his road lately, Mr. Dole has caught an unexpected break. Mr. Buchanan and Mr. Alexander are both positioned to grab shares of the anti-Dole vote that seemed to be flowing in a block to Mr. Forbes.

In any event, recent history shows that fractious primary voters may eventually learn to tolerate an old-shoe candidate. Think of all the Democrats who sighed and accepted the fact that Walter Mondale and Michael Dukakis were as good as it was going to get.

The whole business will play out fairly quickly now. So in the coming weeks, disregard all those urgings to ignore the horse race. This one has meaning enough for the direction of the country, the shape of the Republican Party and Bill Clinton's hopes of facing a battered candidate and a squabbling party. Anyway, it is a dandy show.

gambling that they would not return to violence and insisting unrealistically that the I.R.A. hand over some of its weapons before such talks could begin. Mr. Major allowed the cease-fire to continue for 18 months with no further progress toward the talks. He seemed not to understand that Mr. Adams offered a hope for peace, and needed to be able to show his followers some concrete advantage in putting down their guns.

An international commission, headed by former United States Senator George Mitchell, set out recommendations for proceeding with talks while addressing the issue of disarming the paramilitaries, and recommended that Mr. Major drop the insistence that weapons be handed over. Mr. Major reacted by saying he would only do so if the I.R.A. met another precondition: elections to select participants in the talks. Mr. Mitchell warned last weekend that some elements in the I.R.A. might lose patience. He seems to have been right.

Mr. Major's majority in Parliament is slimmer than ever. He will probably be forced to call an election by this summer and he is being hounded by a revitalized opposition under the leadership of Labor's Tony Blair. He seems to believe that any sign of weakness on the Northern Ireland issue could cost him vital votes in Parliament.

The London bombing should be a warning to Mr. Major, Mr. Adams and the others involved in this conflict that a failure to achieve peace will bring a new round of senseless violence that harms all, whether Catholic or Protestant, Irish or British.

U.N. Avoids Evidence in Bosnia Killings

To the Editor:
 Re "U.N. Official Says She Found No Missing Men in Srebrenica" (news article, Feb. 6): Elizabeth Rehn made inaccurate and misleading statements during her brief tour of the former United Nations-declared safe area in Bosnia and Herzegovina where Bosnian Serb forces slaughtered some 7,000 Muslims.

While acknowledging the existence of mass graves in the area and noting that "many young men were killed," Ms. Rehn asserted that "they were probably soldiers" and repeated without comment the claim of Bosnian Serb military leaders that they "were killed in battle."

Human Rights Watch, which conducted extensive interviews of survivors of the Srebrenica genocide in the month following these killings, has reached different conclusions. The majority of the young men killed were unarmed. Of those who were armed, the majority were murdered

after being taken prisoner. These are clear war crimes and crimes against humanity. Ms. Rehn also presented a deceptive picture of the status of prisoners detained by Bosnian Serb forces to perform forced labor.

While noting that two sites she visited had not recently housed forced laborers, Ms. Rehn neglected to mention the considerable evidence that Bosnian Serb authorities are detaining forced laborers elsewhere.

Human Rights Watch has received many firsthand reports of forced labor in northern Bosnia and believes that hundreds of non-Serbs remain detained for that purpose.

Ms. Rehn's predecessor, Tadeusz Mazowiecki, resigned over the failure of the United Nations and the international community to protect the residents of Srebrenica. Ms. Rehn, by contrast, shows a disturbing tendency to credit the self-serv-

ing obfuscation of Bosnian Serb military leaders.
 DIANE PAUL
 Research Associate
 Human Rights Watch-Helsinki
 New York, Feb. 7, 1996

No 'Belated' U.S. Role

To the Editor:
 Assistant Secretary of State Richard C. Holbrooke's view expressed at the recent meeting of international officials and private business executives in Switzerland that the United States "belatedly" became involved in the Bosnian crisis and eventually led the Bosnian Serbs to accept peace is misleading.

The United States has been actively involved in Bosnia from the beginning. It was the last United States Ambassador to Belgrade, Warren Zimmerman, who encouraged the Muslim-led Bosnian "government" to renege on the constitutional agreement reached at Lisbon in 1992 and secede from Yugoslavia, triggering the civil war.

The United States helped prolong the war by opposing all subsequent partition plans put forth by the European Union or the United Nations.

The United States-led NATO air strikes facilitated the peace process only to the extent they appeased Bosnian Muslim supporters in the United States Congress and, to a lesser extent, the Islamic world, which repeatedly called for an escalation of the war against the Serbs.

By enabling the Bosnian Muslims and Croats to conquer a swath of Serb-inhabited territory, the air strikes made Bosnia's partition, in the form of the Dayton agreement, more palatable to the anti-Serb coalition.

Serious peace negotiations began only when the United States put pressure on the Muslims and Croats to end their military campaign. The Bosnian Serbs were always prepared to negotiate. By contrast, the Bosnian Muslim leaders consistently demonstrated a total unwillingness to discuss compromise with the Serbs.
 GEORGE TANTOR
 London, Feb. 8, 1996

Build a Road and What Do You Get?

To the Editor:
 Re "Going Out on a Limb Over Plans for a Road" (Newbury Journal, Feb. 7) on protests over a bypass being built in Newbury, England: I loved the delicious irony of it.

The beginning of the article discusses the need for the \$160 million bypass to "ease the traffic in this car-clogged town 50 miles west of London." The end includes an interview with a real estate agent who said that the "bypass was crucial because people wanting to settle here care about three things — traffic, traffic, and traffic."

By now we should know better. More and wider roads do not solve traffic. They only attract more residential settlement, commercial development and more traffic. Capacity attracts use. Roads attract sprawl and more traffic.

If we truly want to deal with traffic jams, we need to consider the possibilities of compact city design, mass



transit use and other, less damaging and counterproductive solutions than continued campaigns of roadbuilding.
 DAVID TODD
 Austin, Tex., Feb. 7, 1996

A Mail-In Ballot For New York, Too

To the Editor:
 Mark Green (Op-Ed, Feb. 7) is right: New York State has an abysmal record of encouraging voter participation. In addition to implementing the "motor voter" law, the state should launch a vote-by-mail program in which citizens can vote in special or regular elections.

Oregon, in its vote-by-mail experiment in the special election for the United States Senate, achieved a 66 percent participation rate and saved taxpayers more than \$1 million.

By contrast, only 10 percent of registered voters went to the polls in a recent City Council election on Manhattan's East Side. With a little effort, New York, the home of the nation's first capital, could live up to its legacy as the cradle of democracy and save us a bundle in the bargain.
 MICHAEL C. ALCAMO
 New York, Feb. 8, 1996

Multiple Births Don't Always End Happily

To the Editor:
 Re your Feb. 7 news article on the birth of quintuplets to a Brooklyn couple:

You do a disservice in leaving the impression that the arrival of these babies, born at 26 weeks gestation and each weighing under 2 pounds, is a happy ending. While I hope that the quint triplets, their ordeal is just beginning.

You cite a 95 percent survival rate for babies born at 29 weeks. That figure does not indicate how many survivors suffer brain damage, blindness or develop cerebral palsy in their last trimester outside the womb. The hospital care that these babies will receive can reach dollar amounts in the six digits per child.

Quintuplets conceived without the use of fertility drugs face the same dangers as those conceived with such drugs. But when parents choose to use these drugs, they wager the

health of their babies in a sort of "preemie roulette." This is selfishness.
 KAREN SCHAEFFER
 New York, Feb. 7, 1996

Big Freeze of '34

To the Editor:
 Re your Feb. 6 news article on the coldest temperature ever recorded in New York City:

Feb. 9, 1934, was not only a memorable day in the weather history of the city but in the history of New York State as well.

On that date, at Stillwater Reservoir north of Big Moose Lake in the Adirondacks, the temperature dropped to 52 degrees below zero, still the all-time low in New York State. That temperature reading made headlines around the country.
 GEORGE E. BODINE
 Syracuse, Feb. 8, 1996

The Queen Pays

To the Editor:
 "A Duchess: Her Life in Debt" (Week in Review, Feb. 4) is incorrect to say that Queen Elizabeth II's "immediate relatives have their expenses taken care of by the government."

According to the official "Royal Finances," since April 1993 the Queen has reimbursed the British Government for annuities, authorized by Parliament, paid to 10 family members who carry out public functions representing her and the nation. The money is to meet their official expenses. Under the Civil List Act, only the Queen, her husband and mother receive monies from public funds that are not repaid.
 THOMAS CAMPBELL
 New York, Feb. 7, 1996

Saudi Arabia Economy Is Looking Better

To the Editor:
 "An Inconvenient Saudi Dissident" (editorial, Feb. 5) says that the Saudi Arabian Government's fiscal situation has deteriorated in recent years.

The Iraqi invasion of Kuwait necessitated the payment by Saudi Arabia of more than \$55 billion in cash for direct war-related expenses, which represented one-half of the country's gross domestic product at that time and slowed achievement of the kingdom's economic goals.

Saudi Arabia has largely recovered. Budgets were cut by 20 percent in 1994 and 6 percent in 1995, substi-

dies have been reduced, and the fiscal picture is improving, not deteriorating.

This success derives from cultivation of a strong private sector; an open economy that attracts the participation of foreign companies; and investment of nearly \$1 trillion in infrastructure in less than three decades.

Gross domestic product growth at an estimated 4.3 percent for 1995 and repayment of the Government's international debt during that year provide evidence of the improved outlook.
 MEDELYN AL-MEDLEJ
 Executive Director
 U.S.-Saudi Arabian Business Council
 Washington, Feb. 6, 1996

Block Grant Plan Will Hurt Drug Treatment

To the Editor:
 Re your Feb. 5 news article on Gov. George E. Pataki's block-grant proposal, under which responsibility for some vital services would be turned over to counties in New York State and to New York City: This proposal would have a devastating impact on treatment of substance abuse.

Making counties liable for drug abuse saddles them with a problem that few have demonstrated the capacity to confront. The plan fails to recognize that many treatment providers operate throughout the state and that few counties can, by themselves, mount a range of services.

The proposal allows counties that cut back on treatment to split their unspent block grant dollars with the state. As a result, the plan insures destruction of the drug abuse treatment network that New York State has built over the past 30 years.

Moreover, there would be a sharp rise in administrative costs at the county level with no equivalent reduction in Albany. New York City would have to recreate the Addiction Services Agency that was eliminated as wasteful in 1978.

These are programs that have demonstrated value in budget savings, reduced recidivism and increased employability.

As treatment services diminish, rising costs are likely in the health care and foster care systems, child protective services and services for the homeless. Additional costs to taxpayers will be greater than any savings realized from the block grant plan. MITCHELL S. ROSENTHAL, M.D.
 New York, Feb. 8, 1996

The writer is the founder of Phoenix House, a drug treatment facility.

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Military Has No Room For the H.I.V. Positive

To the Editor:
 Re "Magic Shows the Way" (editorial, Feb. 1): The only thing proved by the return of the basketball player Magic Johnson, who is H.I.V. positive, to the National Basketball Association is that team owners love money more than people. Like it or not, Johnson's colleagues will always treat him differently — and not because of a "phobia."

This is the reality that faces H.I.V.-infected military personnel. Their illness is unlike that of other nondeployable colleagues whose status must be handled on a case-by-case basis. H.I.V. does not go away. What is "punitive" about telling these nonmilitary military personnel they are no longer of service to the United States military?

You ignore that 99.9 percent of H.I.V.-infected personnel have broken the Uniform Code of Military Justice in activities that led to acquiring the disease. Other categories of nondeployment limitation are not the result of breaking military law.

Contrary to your assertion, the discharges are supported by the uniformed military. The military has a military agenda, not a political one.
 ROBERT K. DOWNER
 Member of Congress, 46th Dist., Calif.
 Washington, Feb. 5, 1996

Three Little Words

Jerusalem Post

Foreign Affairs THOMAS L. FRIEDMAN

Three Little Words

WASHINGTON Watching the Republican primary campaign reminds me of something that I've been feeling for some time now: The Republicans have no foreign policy.

Republicans need a foreign policy of their own.

view is not just America first, but America only. William Kristol, editor of The Weekly Standard, the popular new conservative journal, remarked to me that on domestic policy the Republicans have continued the Reagan revolution to its logical conclusion, with the Gingrich revolution. But on foreign policy they have not extended the Reagan revolution at all.



Lower Taxes, Higher Revenues

WASHINGTON It is a paradoxical truth that tax rates are too high today and tax revenues are too low, and the soundest way to raise the revenues in the long run is to cut taxes now.

Computer Lesson

NEW HAVEN mere 12 years ago, Apple Computer brought forth the Mac and changed history. Today, it is reeling from unprecedented losses and struggling to stay independent.

Apple's unfinished revolution.

chinese-room door. When the Apple Macintosh arrived in 1984, even computer scientists took note: how marvelous! A computer that was weak, slow and fatally cute.

Liberties MAUREEN DOWD

Dot, Dot, Dot

DES MOINES Something darn strange is going on. Maybe it's because everyone in Iowa is so darn nice.

Channeling Larry King in Iowa.

Larry, who's here this weekend, likes dots and life-affirming exclamations, random questions... ellipses: "Has any Republican candidate really excited you so far? ... Anybody hear from Moamar Gadhafi lately? ... Is there a more vital actor than Antonio Banderas? ... Why do certain types of candies taste better in movie theaters than outside? ... Count me in favor of Puerto Rico as our 51st State."

A history lesson for the deficit hawks.

decade, real gross domestic product surged by 32 percent and revenues grew by nearly 40 percent.

ANCIENT SEALS - A GIFT FOR TODAY

The silver-plated replicas by ARYE AMYR - elegant, handmade pieces to display and enjoy - let you hold history in your hands.

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Each coin is mounted on a beautiful dark stained wood base, 10x10 cm. Each coin is signed, with Certificate of Origin attached.

Order form for the ancient seals. Includes fields for name, address, city, state, zip, and phone number. Also includes checkboxes for payment methods (check, credit card) and suggested retail price.

Follies of Companies Earn Tax Deductions

By REED ABELSON

YOU put off shoveling your walk, and a neighbor slips on the ice. He sues, he wins. If insurance doesn't help, can you take a tax deduction? Forget it.

Now if you were a corporation, it would be a different story. Not only would you have a tidy write-off, but you might also be able to offset some past earnings and get a check from Uncle Sam.

Consider these not-at-all-hypothetical situations:

A big Wall Street firm agrees to a costly settlement with the Securities and Exchange Commission. An oil tanker runs aground, wrecking environmental havoc. And after pumping millions into an ill-conceived product, a company abandons it.

Yes, in all of these cases, the United States Government is willing to cushion some of the blows with a hefty tax deduction. It's a silver lining denied to most other taxpayers, who are typically individuals with much less power.

But no matter how disastrous a company's actions prove or how badly a business blunders, a third of the costs of cleaning up the resulting mess will frequently be picked up by Uncle Sam.

Despite the heated oratory about the need to balance the Federal budget, and the scramble to unearth additional revenues, not a whisper is heard about making companies pay more for their mistakes, intentional or not. The only time politicians question these deductions is when a particularly glaring example is fresh in voters' minds. As soon as the hue and cry dies down, the talk quickly evaporates.

Even Steve Forbes, who is running for President mainly on the issue of tax reform,

has overlooked this possible revenue raiser. Though his far-reaching flat-tax proposal would eliminate endless deductions for individuals, it would leave these business expenses untouched. Mr. Forbes's campaign office did not return calls seeking comment.

Companies walk away with more than a one-time tax break. Under the existing rules, the losses created by the payment of a huge civil judgment or fat legal settlement can be applied to a company's profits from previous years. As much as a decade's worth of tax bills can be nearly wiped away. A company may even be due a substantial refund from the Internal Revenue Service.

In other words, a company that had been hurtling along making money and paying taxes, and then suffered a loss through its own actions, might then be eligible for a refund on past taxes paid if the loss is large enough. An individual in the same fix would not stand a chance.

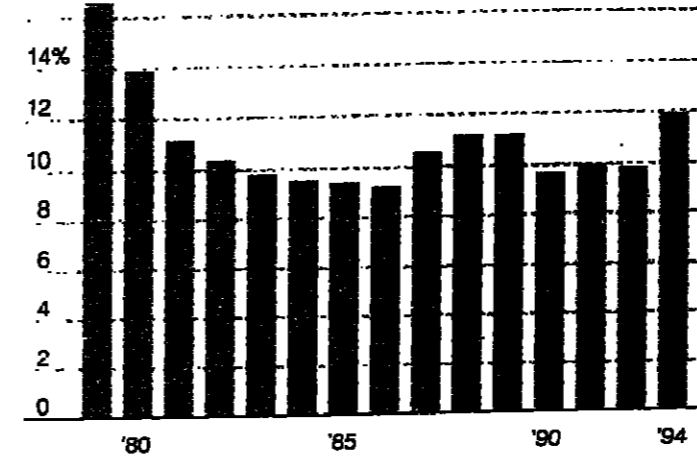
When corporate losses get large enough, companies can even do an end run around the dreaded alternative minimum tax, said Robert S. McIntyre, director of Citizens for Tax Justice, a Washington research group that receives much of its backing from organized labor. The alternative tax, created as part of the Tax Reform Act of 1986 to make sure companies and upper-income individuals do not avoid taxes altogether, has less bite when a company retroactively applies big losses to previous years' income. By sanctioning the use of such "loss carry backs," the tax code allows companies to pay much less than what they would owe under the alternative minimum tax.

This is one reason why despite their image as deep pockets, corporate income taxes in recent years have accounted for just 10 to 12 percent of Federal revenues.

For individuals, if a burglar breaks in and steals your jewelry, you can deduct un-

Who Pays Taxes? Leona Almost Had It Right

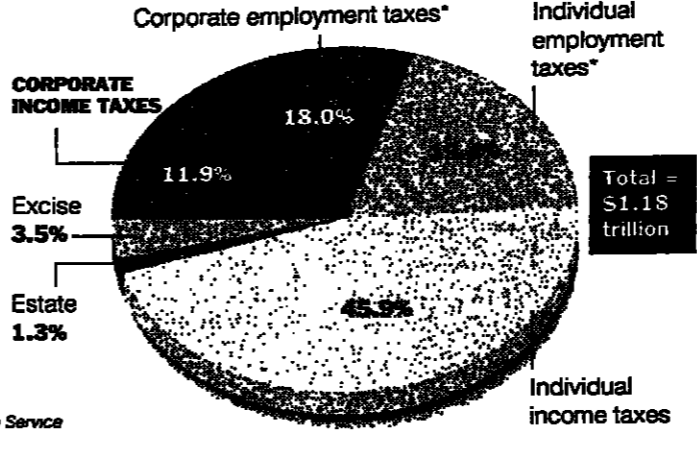
The percent of all Federal taxes that comes from corporate income taxes has remained fairly steady in recent years...



...and remains a relatively small portion of all Federal tax dollars collected.

Percentage of 1994 net revenues from each source

*Estimates



Source: Internal Revenue Service

trying to fool the Internal Revenue Service. The issue is whether the Government should allow generous tax breaks under such circumstances.

The Government's charity is also apparent whenever a company faces exposure for anything from a terrible environmental accident to lawsuits over a product. When the Exxon Valdez ran aground seven years ago and spilled millions of gallons of crude oil into Prince William Sound, Exxon racked up hefty bills — and faces still more. But its settlement with Alaska and the Federal Government in 1991 called for it to pay just \$150 million in fines and additional payments totaling \$900 million over 10 years.

Between enormous legal bills and other clean-up costs, the company took a \$1.7 billion after-tax charge in 1989. How much was declared pretax and over what period of time the deductions may have been taken were never disclosed, and the company declined to comment.

Of course, in Exxon's case, the company may find itself with no Government-issued cushion to soften the blow in one pending dispute in Alaska. In 1994, a Federal jury there returned a verdict levying \$5 billion in punitive damages. Exxon is appealing, and no one expects a resolution soon. If it loses, those damages would almost definitely not be deductible.

Other companies are luckier. They can at least look forward to claiming a deduction on every dollar they pay out to people who say they have been hurt by their actions. Dow Corning, which faces billions of dollars in claims over its silicone breast implants, and Bankers Trust, which is paying substantial sums to some clients to settle suits over money-losing derivative products it sold, can both count on using those payouts to reduce their taxes. Bankers Trust declined to comment.

Employing the don't-kick-us-while-we're-down theory, some companies argue that without these valuable breaks they would not be able to stay in business. Dow Corning went bankrupt anyway, though it is still in business and may live to enjoy the accumulated tax benefits on the \$440 million in claims it has already paid.

As awful as some product-liability cases are, in some ways they are the best thing to have from a tax standpoint. Losses from some claims can be carried back a decade, while normal carry backs go back only three years. That period has been lengthened to 10 years in product-liability cases, an extension that grew out of litigation over asbestos-related illnesses. The reasoning is that companies facing extraordinary losses should be able to apply them over a sufficiently long period.

The White House, though, has recently proposed limiting carry backs to just a year. But as long as the current rules exist, years can pass during which corporate citizens can go without paying the I.R.S. a dime.

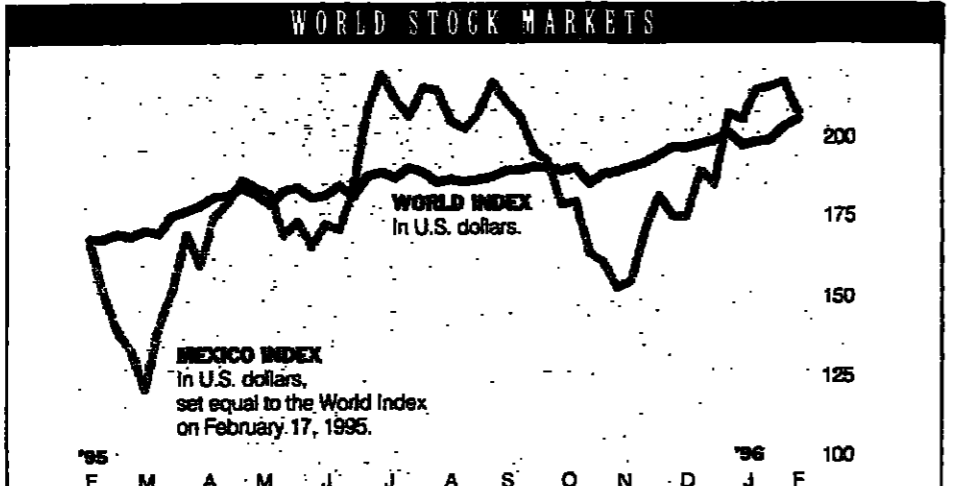
The Government also picks up some of the tab when companies deduct losses incurred for ventures that in hindsight can be seen only as quixotic attempts to diversify or introduce a new product. To be sure, the line between legitimate business expense and foolishness is blurry. Since many ventures entail risk, it is nearly impossible to discern when these costs should and should not be deductible, said Carl Polsky, an accounting professor at the Wharton School of the University of Pennsylvania. "Where do you draw the line?" he asked.

But there are plenty of outsized failures that could well make the tax-paying public wonder why the Government keeps helping to defray the cost. Mistakes like McDonald's McLean Deimez hamburger, Coca-Cola's New Coke, or Federal Express's Zip Mail, each of which surely cost those companies plenty, are considered routine expenses — and thus can be used to reduce taxable income. The loss from New Coke, for instance, has been estimated at tens of millions of dollars.

Even UAL got to deduct whatever it paid an image consultant to amount it Allegis, a roundly ridiculed name that it spent \$7 million just to advertise and then abandoned after about a year. And remember when Mobil announced in 1975 that it was getting into retailing with the purchase of Montgomery Ward? That bright idea lasted 13 years and ended in a tax deduction, too.

Another type of corporate folly is covered as well: overpaying for acquisitions. New tax rules dating from 1993 allow an acquirer in some cases to deduct over 15 years everything it paid in excess of what the hard assets of the purchased business were worth, an amount known as goodwill. The I.R.S. finally gave in to the demand for this deduction after the Supreme Court ruled in favor of allowing taxpayers to deduct such expenses.

But chances are, Corporate America has nothing to fear. Despite all the talk by politicians, both right and left, about the search for loopholes to close, there has been no rush to eliminate any of these deductions. The Government seems all too willing to keep handing out money for those seemingly not in need. As Mr. McIntyre of the Citizens for Tax Justice noted, "This isn't an anti-corporate-welfare Congress."



Prepared by Goldman, Sachs & Co. using data derived from the Financial Times/Standard & Poor's Actuaries World Indices, a measure of stock market performance. The FT indices are compiled jointly by The Financial Times Limited, Goldman, Sachs & Co. and Standard & Poor's, in conjunction with the Institute of Actuaries and Faculty of Actuaries.

Table with columns: PERFORMANCE, IN U.S. DOLLARS, IN LOCAL CURR., Country, Index, Week % Chg., Week Rank, YTD % Chg., YTD Rank, Dividend Yield, Index, YTD % Chg.

Source: Goldman, Sachs & Co. Exchange rates as of Friday's London close @ 1996 The Financial Times Ltd., Goldman, Sachs & Co. and Standard & Poor's

Table with columns: Exchange rate, Friday, Last Friday, Week % Chg., Year Ago. Includes Japanese yen to the U.S. dollar, German marks to the U.S. dollar, etc.

sured losses above 10 percent of your adjusted gross income — but that threshold is so high that it provides scant comfort. It would be like telling a company it could deduct only those losses above 10 percent of revenues.

Corporate America, as well as the legions of accountants and tax lawyers in its employ, is quick to defend its right to its deductions, arguing that hefty settlement costs and payments of legal claims are legitimate business expenses. Companies, the argument goes, are taxed on their income after their costs are deducted, not on their revenues, and these expenses are no different from paying employee salaries or the light bill.

Actions like these "are not criminal — maybe they're bad judgment," said Joseph W. Rebravitch, a professor of accounting and taxation at New York University, explaining why these tax breaks can be applied so broadly. "Why would the Government not allow the deductions?"

But the tax code does make distinctions. As a matter of policy, the Government does occasionally hold its nose. It does not, say, allow companies to deduct illegal bribes and kickbacks, punitive damages paid in anti-trust suits, or criminal fines or penalties paid to the Government. Any punitive component of a civil settlement is also generally disallowed.

The ban on deducting such payments was meant to avoid frustration of the criminal law, said Elizabeth Garrett, a law professor at the University of Chicago. A pivotal case that helped to shape the Government's thinking, she said, was a 1958 Supreme Court ruling banning a trucking company from deducting the cost of multiple criminal fines.

"You don't want to encourage people to do these things by giving them a tax deduction," Mr. Rebravitch said.

Likewise, for symbolic reasons, the Government in 1994 sharply curtailed what businesses could deduct for restaurant meals and country-club dues. And under the Clinton Administration, it scaled back the amount of executive compensation that companies could deduct above \$1 million, even though the crackdown has generated very little revenue for the Treasury.

But as much as the Government frowns on a tax code that would ease the pain of any punishment it metes out, it seems to look the other way when companies engage in regrettable behavior that merely results in substantial civil payments or legal claims.

Even if the Government determines that the amount being paid was not meant to punish a company in any fashion, the question remains of whether the Government should subsidize the cost of making everything right. "All those things are deductible when you could argue they violate public policy," said Robert Willens, a tax and accounting analyst for Lehman Brothers.

There seems to be some room for interpretation on exactly which parts of a civil settlement should be considered punitive and not deductible, and which are the kind that can be used to lower a company's taxes. "This is one of the least clear areas in tax practice," said Wayne Robinson, a director in the Washington office of Price Waterhouse, which represents clients in settlement negotiations.

Robert Zarzar, a Price Waterhouse partner, said negotiations over the deductibility

of civil payments were standard in settlement negotiations between companies and the Government. After all, he said, "it is 40 percent of any number you're talking about," when you figure in state and local taxes.

As a result, corporations will do their utmost to negotiate a settlement in which most, if not all, of the desired deductions would pass muster with the I.R.S. In fact, if lawyers are clever, and succeed in characterizing some of the settlement as a disgorgement of profit or restitution, tax experts say that part of it can usually qualify for a deduction.

For their part, Government agencies deny taking the tax impact of any settlements into account. "We never discuss tax issues in negotiating settlements," said Thomas C. Newkirk, an associate director of the S.E.C.

Even companies that acknowledge some wrongdoing can qualify for the tax breaks. Take Salomon Inc.'s run-in, to put it mildly, with the S.E.C. over allegations that it submitted billions of dollars of unauthorized bids in auctions of Treasury securities. Although the Government never brought criminal charges, Salomon conceded that it had submitted some phony bids and ended up cooperating with the authorities. The firm settled the Government's civil suit in 1992 without admitting or denying the charges.

Under the terms of the \$290 million settlement, Salomon had to pay \$100 million into a fund open to anyone contending that he or she lost money as a result of its actions. The firm also ponied up \$122 million in "civil penalties" and \$68 million in forfeitures and other payments. While Salomon would not comment on what it considered deductible, tax experts say some of the settlement would appear to have qualified.

But wait, there's more. To cover all its costs from the incident, which included legal fees and other sizable costs in addition to the actual settlement, the firm took two pretax charges totaling \$385 million. There were thus \$35 million in added expenses, some of which were presumably legal costs, that may have been deemed deductible. There has never been much discussion of companies refraining from deducting legal costs, even unusually large ones.

The Government has also picked up the tab for other companies caught in mischief. When the Unisys Corporation ran afoul of the Pentagon for contracting fraud in 1991, the computer company considered the vast majority of the \$190 million it was forced to pay in fines and penalties as deductible, although it did plead guilty to some criminal charges. Only \$4 million worth of criminal fines could not be deducted from its tax bills.

Litton Industries, another military contractor, plans to deduct the cost of an \$86 million Government suit it settled a year and a half ago; the suit asserted that Litton had overcharged the Defense Department for computer services.

Litton thus calculates its after-tax hit as just \$54 million, since the settlement characterized the full sum not as punishment but as restitution — money paid to make the Defense Department whole.

Since companies pay taxes on income before they must disgorge it, it would be unfair not to allow them to deduct these costs, said Arthur Feder, a tax lawyer at Fried, Frank, Harris in New York. "What you're doing is adding another penalty."

No one is accusing these companies of

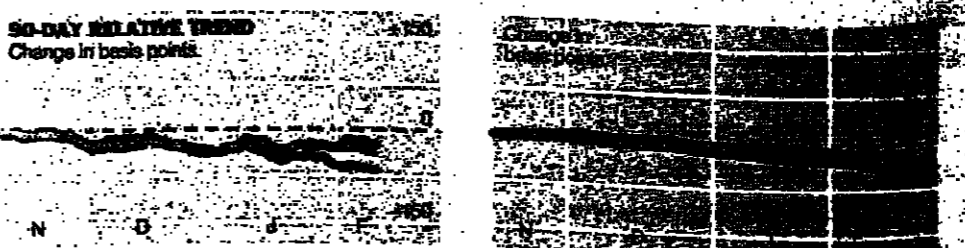
Feb. 5-9: Stock Rally Continues as Dow Surges 167.63 Points; Long-Bond Yield Falls

Summary table of market performance: Domestic Equities (Broad market up 3.23%, S.P. 500 index 656.37, Blue chips up 3.12%, Dow 30 industrials 5,541.62, Small capitalization up 1.07%, Russell 2000 index 321.12), Domestic Bonds (Treasury up 0.07%, Ryan Labs. Total Return 192.57, Municipals up 0.83%, Bond Buyer index 122.31, Corporates up 0.26%, Merrill Lynch Master index 822.79), Around the World (European stocks down 0.55%, F.T.-Actuaries Europe 201.95, Asian stocks down 0.28%, F.T.-Actuaries Pacific Basin 165.82, Gold down 2.19%, New York cash price \$405.60).



Sources: Bank Rate Monitor; Bloomberg Financial Markets; The Bond Buyer; DataStream; Goldman, Sachs; IBC's Money Fund Report; Merrill Lynch; Standard & Poor's; Ryan Labs

YIELDS table with columns: Bonds (Long bonds 6.09%, 30-year Treasuries down 7 basis pts, Short bonds 4.86%, 2-year Treasuries down 4 basis pts, Municipals 5.51%, Bond Buyer Index down 6 basis pts), Other Investments (Money market funds 4.92%, Taxable average down 9 basis pts, Bank C.D.'s 4.74%, 1-year small savers down 7 basis pts, Stocks 2.19%, S.P. 500 dividend yield down 6 b.p.).



Handwritten signature or note: "Mexico 1500"

It's tough being a whiz kid

Gabi Lukacs may only be 13, but he's turning heads in the Technion
Sue Fishkoff reports

GABI Lukacs was just 12 years old last October, but instead of preparing for his bar mitzva, he entered Haifa's Technion as a first-year math student.

The Hungarian-born adolescent, who immigrated to Upper Nazareth with his father Janos in 1990, dismisses the suggestion that there's anything unusual about his precocious academic ability.

"I'm just able to understand things quickly," he insists. "Until I actually produce something, you can't say it's anything special."

Still, it's not every day that a boy skips high school, studies on his own for the math *bagrut* (matriculation), scores a perfect 100, and, two months shy of his 13th birthday, enters the Technion, where he not only takes a full first-year class load, but sneaks in an extra computer class.

"I'm not supposed to take a fourth class, but I told them I'm signing up for it anyway," he says, with a schoolboy grin. "Maybe they'll throw me out, but I don't care at this point."

Why doesn't he care? He's doing well in his coursework, and he's managed to make a handful of friends at the university, despite the age difference.

"It's a miracle that he's even sitting in my class," says Prof. David Chilling, Gabi's first-year algebra teacher. "He's doing excellently. He's a nice boy, and seems to get along well with the other students."

Indeed, Gabi says, he has no problems with his teachers or fellow students. His only difficulty is with the university administration, and it's a problem that may keep him at home when the second semester begins on March 6.

It's a simple, yet daunting, logistical quandary. Because he's registered as a "special" student, Gabi has no access to the usual services offered to other Technion students. That means no financial aid, no discount for being an excellent student, and no room in the on-campus dormitories.

He gets some financial help from a Jerusalem foundation called Kol Yisrael Haverim, and a stipend from the Absorption Ministry, but his father still pays most school costs. That's hard on Janos, a philosophy PhD and architect who taught

at Budapest's Polytechnical University but works now as an interior decorator.

The dormitory problem is more pressing. Gabi commutes four to five hours a day by bus from his Upper Nazareth home to the Technion and back, a grueling travel schedule that leaves him exhausted.

Four days a week, Gabi rises at 5:30 a.m., and arrives home at 8 p.m., when he begins his homework. He sleeps an average of four hours a night, not nearly enough for a boy his age.

"When I have an exam, I might only get an hour or two of sleep, then back on the bus to take the test," he says.

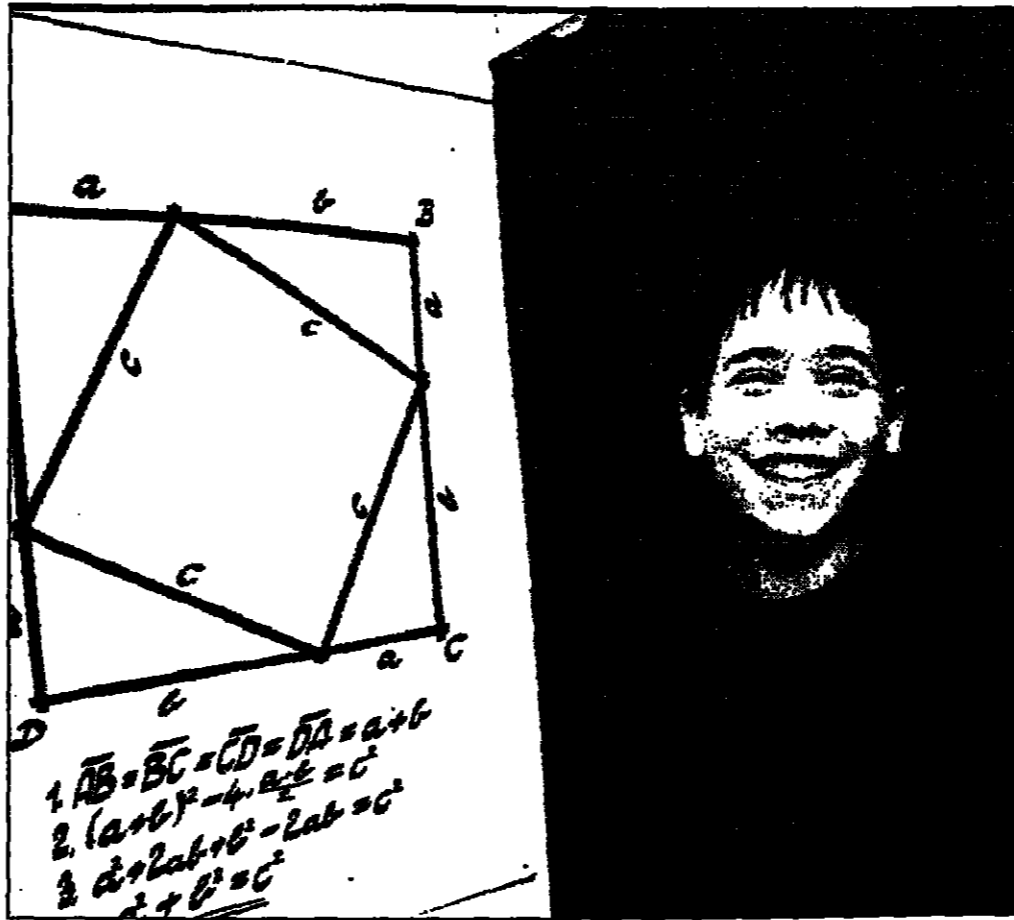
He's appealed to the dean of students for a dormitory room, but has received no response. The Technion's spokesman's office says there is as yet "no decision."

In fact, Gabi complains, the Technion administration treats him like... well, like a child. When the dean's office calls his home, they ask to speak to his father, not to him. Gabi fumes at the insult. "I have no one to turn to," he says. "I can't go to the Student Union, because I'm not a real student. The administration doesn't help me. I may need to find a university with a better atmosphere, where they treat me more normally."

GABI'S bedroom is amazingly neat for a 13-year-old boy. "It's not usually this clean," he apologizes. "You should see it when I'm studying."

On the wall hangs a yellow poster displaying a simple algebraic equation. His collection of classical CDs is neatly lined up next to his stereo. Gabi listens to classical music "from morning to night," he says, mostly Brahms, Bach, Beethoven, Mozart and Bartok. The shelves are lined with Hungarian translations of the greatest in world literature. Gabi is presently reading Proust's *Remembrance of Things Past*, which he says he's quite enjoying.

Gabi was in ninth grade 18 months ago, when he first wrote to Education Minister Amnon Rubinstein to ask permission to leave school and prepare for the math *bagrut* on his own. He got his permission in the middle of 10th grade, and spent the next eight months studying at home.



Gabi Lukacs in his room at home, next to his algebra poster. He is advanced intellectually, but still a 13-year-old at heart.

Gabi doesn't feel he's missing out on a well-rounded education, despite the fact that he skipped all of high school, where most students get their first serious taste of history, literature and languages. His father guides his reading, and the two "discuss everything," Gabi insists, "biology, physics, psychology, history, economics, you name it."

If he'd failed the *bagrut* and been sent back to high school, he says it would have been a disaster. "I was so bored there," he says, rolling his eyes.

BUT HE'S still a 13-year-old boy. On his bed pillow lies a bedraggled stuffed animal, a shaggy brown dog with long, ragged ears. He smiles shyly and shakes his head when asked if he'd pose for a photograph with it. It's the only thing he salvaged from his toy collection when he and his father left Hungary six years ago for Israel.

Gabi is quite mature mentally, with a well-developed logical sense," Janos says. "But when I look at him, on the outside, I see a young teenager. Still, I'm not worried about him. I'm not afraid that

he's pushing himself too fast."

Given his commuting schedule, Gabi doesn't have much time for anything beyond his studies. "If I had time, I'd go swimming, but it's impossible," he says. He has one friend his own age, from the school he attended until last January, and two friends at the Technion. That's about it for relaxation, aside from the classical music.

He's now planning to take the five-point English and physics *bagrut* in June, in case he decides to apply to a foreign university. He's learning English on his own, using an outdated English-Hungarian textbook.

"It would be too bad if I had to leave the Technion," he says. "I already know the faculty, I like my teachers, and I feel a part of the student life. But the time factor, traveling back and forth like that every day, is too hard."

"If only there were another university, in Israel or abroad, where I could study more easily. I need a more normal atmosphere, and people who will help me. Now, I don't even get what the other students get. But I don't know who to turn to. I don't know what the future will bring."

Bad mix: Leukemia and polluted water

EARTHLY CONCERNS
D'VORA BEN SHAUL

The incidence of childhood leukemia began to rise in the mid-1940s and has continued to increase.

The reasons have been unclear although many scientists have long suspected it is probably due to environmental factors. But, until now, no one could really say whether it was pesticides, radiation or food additives, for example.

A recent study in England may be able to throw some light on the subject, and perhaps point the way to a new understanding of this disease. Denis Henshaw, a physicist at the University of Bristol, measured the levels of radiation emitted by newborn babies around the much-polluted Severn Estuary and concluded these newborns acquired their radioactive contaminants in the womb. Further studies showed that newborns carried through pregnancy around highly contaminated water sources had about half of the total radiation in their bodies that one would usually find in a 10-year-old who had not undergone this exposure.

Studies by Ray Cartwright, an epidemiologist at the Leukemia Research Fund Centre in Leeds, also found that children living near river estuaries had two to three times more incidence of leukemia than children living far from such sources. He also concluded that polluted waterways were the reason.

According to Henshaw, the pollution emitted by motor vehicles settles and is washed into the waterways by the rain. In the case of estuaries, the action of tides also increases the amount of pollution that collects. People breathe the mist and vapors from the waterways together with the attendant pollutants. The Severn Estuary has been continuously monitored since the late 1800s. In 1850, pollution from petrochemicals was 2 parts per million, by 1970 it had reached 200 parts per million and is still going up.

Petrol and oils contain naturally occurring uranium and radon particles which decay to form Lead-210. This isotope is concentrated in the bones where it further decays to form short-lived "radiation daughters" such as polonium-210 which emits alpha radiation.

Radon especially is taken up by the fatty cells of the bone marrow and may often have radioactive concentrations as much as 16 times that found in the blood of the same person. These cells are then able to pass their load to the cells that form the blood in the marrow, and the result is leukemia.

According to hematologists, blood cells in children divide at a much greater rate, making them much more sensitive to radiation. At the same time, there has also been an increase in cases of adult leukemia.

Justice calls into question votes for religious councils

In the Supreme Court, sitting as a High Court of Justice, before Justices Elyahu Mazza, Ivo Strassberg-Cohen and Zvi Tal, in the matter of Prof. Tehudit Naot and others; petitioners; versus the Haifa Religious Council and others; respondents (H.C. 4733, 6028, 7105/94).

After the local council elections in 1993, the minister for religious affairs was required, under section 6(b) of the Jewish Religious Services Law (Consolidated Version) of 1971, to reconstitute existing religious councils. He accordingly asked all local councils to propose their candidates to fill the quota of 45% of the religious councils, as demanded by section 3(a)(2) of the Law.

As laid down in Supreme Court precedents, the council's selection of candidates was confined to two features. Firstly, each political faction was to propose its candidates in accordance, as far as possible, with its representation in the council. The council was then to consider the candidates' suitability for religious council membership.

In voting for members of the religious councils by the Jerusalem and Haifa city councils and the Kiryat Tivon local council followed the accepted procedure, and in each case candidates who

were members of the Conservative or Reform movements were found to be unsuitable. Three petitions were then lodged with the Supreme Court, sitting as a High Court of Justice, to set the elections aside on the ground of unjust discrimination, and the court decided to hear the petitions together.

JUSTICE MAZZA delivered the first judgment of the court. Citing several precedents he reiterated the principles applicable. Members of religious councils were not obliged to be religious, but were not to be antireligious. They were to be concerned with providing religious requirements. They were not required to be qualified, according to Halacha since religious councils' duties did not demand deciding halachic questions. The council was an administrative body charged with supplying Jewish religious services, and it was this feature which determined a candidate's suitability for membership.

A candidate's personal outlook was irrelevant, and his disqualification on the grounds of membership in a non-Orthodox movement was therefore unlawful. Moreover, a mere fear that a candidate may interfere with the smooth working of the council

because of his personal views was not sufficient for his disqualification. A factual basis for that fear had to be proved to justify discrimination.

Justice Mazza then examined the voting procedures in each of the three cases. In Haifa, the personal qualifications of the two candidates proposed by Meretz and Tsomet were placed before the council. It was also informed that they were members of the Reform and Conservative movements, respectively.

Only a few council members participated in the discussion, he continued. No one disputed the candidates' suitability, but a few members opposed them openly on the ground of their religious affiliation alone.

The mayor and the city council had submitted that the opposition of the few members who had raised the issue of non-Orthodoxy did not necessarily represent the views of the other members who did not speak.

This argument, said Justice Mazza, was unacceptable. The council was forbidden to weigh the religious affiliation of the candidates, and other members' silence on this issue could only be interpreted as consent. The result was that the candidates' disqualification was based on unlawful

LAW REPORT ASHER FELIX LANDAU

discrimination.

Counsel had also urged that the petitioner's remedy was to apply to the minister to rectify the situation by virtue of his powers under the above Law. He held, however, that the minister's powers did not exclude judicial review of the council's decision by the court.

THE ELECTION for the Kiryat Tivon religious council was discussed at two meetings of the local council. At the first meeting, the Tal party's representative pointed out that the religious council had no non-Orthodox representative, and he nominated two such candidates. The chairman then suggested that the religious council members be selected on the basis of the relative strength in the community of those institutions interested in receiving religious services. That number in the non-Orthodox sector was minimal. He opposed using the basis of the relative strength of the parties on the local council.

At the second meeting, the religious bloc, which was entitled to four representatives in the religious council, nominated candidates to fill all six seats required, while no vote was taken regarding the other two proposed. The nom-

ination of candidates other than on the basis of the party key in the local council, said Justice Mazza, was irregular.

Moreover, the candidates proposed by the Tal faction could only be rejected on the basis of unsuitability. That aspect, however, was never even considered, since the decision against them was apparently based entirely on their religious allegiance. That was clearly discriminatory and unlawful.

AT THE beginning of the election meeting in Jerusalem, Mayor Ehud Olmert announced that a personal vote would be taken regarding each candidate without discussion. He added his assumption that members would vote without any prior prejudice, and only on the basis of valid and relevant considerations which they had previously examined.

Meretz proposed two candidates and four alternates, all members of the Conservative or Reform movements. City councillor Ornan Yekutieli (Meretz) pointed out that the court had not ruled on the question of a religious council member following a religious way of life, but that, in any case, the two candidates proposed were religious and members of congregations concerned with religious

services. It was significant, Justice Mazza pointed out, that Yekutieli's comment followed a circular issued by the Religious Affairs Ministry five days after the court's judgment in Hoffman's case (H.C. 699/89). The court had held that a religious council member was not required to be religious, and the circular said the opposite. However, the mayor refused to discuss that question, or to consult the municipal legal adviser, who was present, on the issue. Meretz then demanded that council members state their grounds, but they declined.

Citing several precedents including Berger's case (H.C. 297/82; *The Jerusalem Post*, July 24, 1983), Justice Mazza then dealt with the necessity that a public body discuss the issues before voting. There could be exceptions, but particularly in a question of public importance such as the present, a discussion was imperative. The city council was a representative body responsible to the citizens who elected it. The public had the right to know the grounds for its decisions. It was not entitled to take refuge behind "a wall of silence."

It acted as a parliament. It was required in the present context to decide on the suitability or unsuit-

ability of the candidates. Its grounds were subject to judicial review. If a member's reasons were legitimate, he should state them. If he refused to do so, it was to be presumed they were unlawful. The mayor had stated at the outset his presumption that members would vote lawfully, but he had no right to make such a statement. It was a pity the court's directives in Hoffman's case were ignored, with the result that the election was irregular.

In conclusion, Justice Mazza noted that although the Haifa municipal council had held a discussion, and had found the candidates personally suitable for membership on the religious council, it had wrongfully rejected them on the basis of their religious affiliation alone. Its procedures had been correct, although its decision was wrong. It would therefore be proper in this case to set the municipal council's decision aside, and to declare the two rejected candidates members of the religious council.

In the cases of Kiryat Tivon and Jerusalem, the procedures had been seriously irregular. The elections, therefore, were set aside, and an order made for new elections to be held within 60 days of the publication of the court's judgment.

This is the first of two parts.

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Lottery no. 7/96

BUSINESS & FINANCE

MONDAY, FEBRUARY 12, 1996

Dahaf Ehad, Bozell Worldwide to sign deal

RACHEL NEIMAN

DAHAF EHAD, of the Dahaf advertising group, is expected to sign tomorrow a representation agreement with Bozell Worldwide, the ninth-largest American advertising agency.

The agreement will be signed tomorrow, at Dahaf's new headquarters in Jaffa.

"The relationship between us was first established during joint work on Chrysler in Israel," said Dahaf Ehad general manager Danny Eliakim. "We wanted to form a relationship that would lead us to commercial results and would remain viable for an extended period of time."

At this point, Chrysler is Dahaf Ehad's one joint client with Bozell, but Bozell's client list includes several international accounts currently handled by other agencies here. The new relationship, Eliakim said, "will cause some upheavals."

Dahaf Ehad's move follows similar agreements signed between local companies and foreign advertising giants. Gitan, for instance, has signed with

BDDO Worldwide, Tamir-Cohen with J. Walter Thompson, and Kesher-Barel with McCann/Erickson.

The Dahaf group is one of Israel's oldest and largest advertising firms.

Founded in 1953 by Eliezer Zorabin, the company is now managed by its founding family's second generation and includes local advertising chain Reshet Dahaf, the Dahaf Research Institute and public relations division Dahaf Communications.

Veteran accounts include Tauva, Bank Discount, Egged, and Coca-Cola which has been with the firm since its introduction here in 1968.

The group expects \$38 million in turnover for 1995.

Bozell Worldwide, part of Bozell, Jacobs, Kenyon and Eckhardt, has 80 offices in 50 countries, with headquarters in New York and international operations based in London. Major clients include Chrysler, Merrill Lynch, the New York Times, Tyco, and Singer.

Bank Leumi Trust NY reports \$14m. net profit

GALIT LIPKIS BECK

BANK Leumi Trust Co. of New York (BLTNY), the Leumi group's largest subsidiary, completed 1995 with a net profit, the first annual profit in six years.

The bank reported net earnings of \$14 million in 1995, compared with a net loss of \$3m. last year.

At the end of December 1995, total assets reached \$2.1b. Shareholders equity was \$167.2m., deposits from the public \$1.8b and credit to the public \$730m.

Leumi's extensive overseas ac-

tivities were often criticized as overstretched. Recently the bank had to retreat from its outposts in Canada and Hungary. The New York branch's cumulative losses between 1990 and 1995 totaled some \$350m.

BLTNY president Zalman Segal said the results reflect the successful implementation of a new business strategy, including reduction of many expenses, the sale of unprofitable branches and

an emphasis on international and commercial activities.

The bank's business strategy was implemented approximately two to three years ago, in reaction to losses of \$55m. in 1993 and \$25.1m. in 1994.

As part of the bank's attempt to reduce losses, it signed an agreement to sell three branches to Republic National Bank of New York for \$4.5m.

The branches are situated in Brooklyn, Queens and on Manhattan's Broadway.

Int'l banking syndicate, organized from here, raises \$100m. for IEC

GALIT LIPKIS BECK

AN international banking syndicate has been organized for the first time from here, and has raised \$100 million for the Israel Electric Corporation.

The syndicate was organized by Union Bank, Euro-Trade Bank and Japan's Sumitomo. In the past, banks organized syndicates using their overseas subsidiaries.

Union Bank and Euro-Trade Bank have reached a deal to cooperate in organizing syndicates

of foreign banks for local firms.

Euro-Trade Bank general manager Menahem Weber said the banks are already working on organizing additional syndicates.

"The successful loan proposal, which was initially for \$50m. was oversubscribed," the banks said. "The banks agreed to provide credit of more than \$100m., but IEC decided to limit the capital raised to \$100m."

Menahem Weber said the banks' ability to raise credit directly from Israel shows the international financial community's change in attitude towards raising capital for local firms.

The syndicate is made up of banks from Europe, the Far East and America. The loan agreement will be signed at the end of the month in London, in the presence of senior IEC officials and representatives of the banks participating in the syndicate.

BUSINESS BRIEFS

Geo Interactive Media has successfully presented its EMBLAZE product this past weekend at the Millia Trade Show in Cannes, France.

Over 100 members of the international press attended Geo's presentation on Friday night. EMBLAZE, a software based technology, allows World Wide Web users to view quality animation images using a standard (14.4 kilobyte per second) modem. Geo said the EMBLAZE player will be available on the Internet through its home page at <http://www.geo.co.il>.

Rachel Neiman

Stoekli's days appear numbered with Daimler: Ernst Stoekli, head of Daimler-Benz AG's rail and engineering unit AEG AG and a Daimler supervisory board member, will be forced to give up both positions this month, Der Spiegel said over the weekend. According to paper, Daimler-Benz chairman Juergen Schrempp wants Stoekli to resign at Daimler's next supervisory board meeting on February 21.

A Daimler spokesman called the report "speculation," saying that such decisions are a matter for the supervisory board. Company sources, however, have said they believe Stoekli will be asked to go for his part in AEG's failure to make money.

Reuter

ECI Telecom records 14% rise in net profits

RACHEL NEIMAN

ECI Telecom has announced a 14.55 percent rise in 1995 net profits and a 14.46 percent rise in fourth quarter net profits.

Fourth quarter net profits went up to \$23.23 million from \$20.29m. in the parallel quarter in 1994.

Quarterly revenues rose to \$122.54m. from \$106.79m., while earnings per share increased to \$0.31 from \$0.27.

Annual net profits rose to \$87.85m. from \$76.59m. in 1994. Revenues went up to \$451.42m. from \$384.66m. Earnings per share rose to \$1.16 from \$1.01.

Fourth quarter and full-year results include \$1.1m. in one-time costs relating to the restructuring of subsidiary Telematics. ECI said fourth quarter results were favorably impacted by re-

cord sales of its Access Network product line, which was selected as the sole EDSL (high bit-rate digital subscriber line) vendor by leading carriers such as British Telecom, Telia of Sweden and Telenor of Norway.

HDSL enables carriers to increase their transmission networks without having to install fiber optic lines.

Sales during 1995 rose 25% in North America to \$113m., 37% in the Asia Pacific region to \$68m., and 7% in Europe to \$220m.

The 1995 figures do not include a \$60m. framework agreement to supply a wide-area network system for China's customs and foreign trade authorities exchange, which was announced in September.

British financiers here to explore business ties

GALIT LIPKIS BECK

LEADING British financiers have arrived in Tel Aviv for a two-day business conference, which starts today.

The conference will be attended by a delegation from the City of London, headed by the Lord Mayor of London John Chalfrey. The lead speaker will be the former British foreign secretary Lord David Owen.

The conference will explore the possibilities for expanding relations between Israel and the City - including joint ventures, development and financing of projects, flotations on London's stock exchange, real estate investments here and in Britain, and joint research and develop-

ment projects. About 400 Israeli and British delegates will represent a range of financial interests.

They include senior representatives of leading companies and organizations in Britain, including Lloyds, the London Stock Exchange, the Bank of England,

and Barclays. The conference is a follow-up to Prime Minister John Major's visit here a year ago, when he was accompanied by a group of senior British businessmen.

The gathering is sponsored by the British Embassy, the Israel-British Chamber of Commerce, and the British Overseas Trade Group for Israel.

Tadiran close to deal in Vietnam

GALIT LIPKIS BECK

TADIRAN is close to signing an agreement with Vietnam to install Wireless Local Loop systems there, it was announced yesterday by Tadiran general manager Yisrael Zamir and Dang Ding Lam, director-general of the Vietnamese Ministry of Communications.

Zamir said a delegation of Tadiran representatives will visit Vietnam in a few weeks to finalize the agreement.

He said the systems allow for the installation of phone lines in areas where communication networks are undeveloped.

Dang said Vietnam is currently suffering from a shortage of telephones, with only one phone for every 100 residents.

The ministry wants to increase the number of lines to allow for five phones for every 100 residents.

Zamir also said Tadiran will consider setting up a production line in Vietnam.

Zamir is visiting Asia with a delegation headed by Koor, Tadiran's parent company.

The delegation includes Koor President and CEO Benny Gaon and Stanley Gold, Koor chairman and also president of the US Shamrock group.

Last week Gaon revealed that Koor is negotiating to invest in Vietnamese companies in the fields of food, telecommunications, raw materials for industry and building.

Negotiations on cost-of-living increment resume

MICHAEL YUDELMAN

THE Histadrut and the employers yesterday resumed negotiations over the cost-of-living (COL) increment to be paid in this month's salary, due at the beginning of March.

The employers rejected a Histadrut's proposal for a two-year COL increment plan, preferring an ad-hoc settlement for February's wages, and reaching a multi-year plan before August, when the next increment is to be paid.

The Histadrut is demanding changes in the way the increment is calculated, so that employees get compensation for wage erosion even when the inflation rate is relatively low.

However, the Histadrut is insisting the increment must cover 100% of the COL hike, if it rises above 8%.

"We want a new formula which

will protect the workers from creeping erosion in times of low inflation, but also a safety net in times of high inflation," Histadrut Chairman Amir Peretz said.

"We shall not agree to continuing the present system, in which the compensation barely covers 50% of the COL index."

The employers, however, insist on continuing the present system,

based on a multi-year agreement.

Since the Histadrut and employers must reach an agreement by February 15, when the January COL index is released, they may settle on an ad-hoc increment for February, and resume the talks on a multi-year agreement afterwards.

The increment in February's pay is not expected to be more than 2.5%, minus the 0.5% given ahead of time last August.

Second day of union protests in France

PARIS (Reuter) - Thousands of people, most of them public employees, marched through Paris and other French cities yesterday on the second straight day of protests called by the Communist-led CGT union against government austerity reforms.

The marchers chanted slogans against government austerity reforms, especially that of the social security system that funds health care, family allowances and pensions. They also called for the protection of civil service jobs and for shorter working weeks.

PRIME פריימ
Mutual Fund for Foreign Residents

Date: 8.2.96
Purchase Price: 109.05
Redemption Price: 107.59

leumi pia לויית פיה

TARGET טרגט
Mutual Fund for Foreign Residents

Date: 8.2.96
Purchase Price: 148.01
Redemption Price: 145.72

leumi pia לויית פיה

Ports & Railways Authority

Head Office
TENDER NO. 9999/96
CRANES FOR SALE

The correct fax no. for obtaining tender documents is:
972-3-5616027

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ISRAEL MONEY MARKETS						
Patah (foreign currency deposit rates) (12.2.96)						
Currency (deposit for)	3 MONTHS	6 MONTHS	12 MONTHS	3 MONTHS	6 MONTHS	12 MONTHS
U.S. dollar (\$50,000)	4.57%	4.57%	4.57%	4.20%	4.20%	4.20%
U.S. dollar (\$100,000)	4.57%	4.57%	4.57%	4.20%	4.20%	4.20%
U.S. dollar (\$250,000)	4.57%	4.57%	4.57%	4.20%	4.20%	4.20%
U.S. dollar (\$500,000)	4.57%	4.57%	4.57%	4.20%	4.20%	4.20%
U.S. dollar (\$1,000,000)	4.57%	4.57%	4.57%	4.20%	4.20%	4.20%
U.S. dollar (\$2,000,000)	4.57%	4.57%	4.57%	4.20%	4.20%	4.20%
U.S. dollar (\$5,000,000)	4.57%	4.57%	4.57%	4.20%	4.20%	4.20%
U.S. dollar (\$10,000,000)	4.57%	4.57%	4.57%	4.20%	4.20%	4.20%
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U.S.						

Hapoel Jerusalem wins derby

THE game featuring two of the league's mediocre teams proved to be the most exciting as Eilat picked up a rare home victory over Holon in overtime last night.

ELI GRONER

Yariv Yatzkan hit one of two free throws six seconds later, sending the game into OT.

Eilat's victory propels them into 7th place in the standings, while Holon is still on pace to make the lower playoffs as well.

Hap. Jerusalem 107, Mac. Jerusalem 89

Hap. Eilat 91, Hap. Holon 89 Shimon Amosheim hit a disputed basket at the end of overtime, capping a terrific comeback for the southerners.

With five-thirds of a second left on the clock, Eilat managed to inbound the ball to Amosheim who proceeded to score the layup. The Holomers referred to the call as a disgrace, claiming that there couldn't possibly have been enough time for the entire play, and that another overtime was in order.

It didn't even seem like an extra session would be necessary, with less than two minutes to go in regulation, and Holon looking like the team that had led throughout the game. However, with 1:15 remaining, Ari Rosenberg hit a clutch three-point basket cutting the Holon advantage to 78-75. Eilat actually took the lead 79-78 with 10 seconds on the clock off of a J.J. Eubanks put-back. Holon's

Hapoel Jerusalem continued to keep pace with Maccabi Tel Aviv by turning in another big victory, moving their record to 13-1.

Maccabi used tenaciousness and a never-say-die attitude to keep it close into the second half, but Hapoel's superior talent proved to be the difference down the stretch. Billy Thompson (30 points) and Morris Coleman (17) were ably assisted by the solid play of Doron Shefa and Pini Levy. Joe Dawson was outstanding in defeat.

Mac. Rishon 109, Hap. Safed 97

Rishon LeZion showed how good the team can be by totally outplaying a very good Safed team. James Gully and Brian Oliver displayed many of the skills that make them arguably the most dangerous tandem in the league. Safed's loss just about eliminates any

hopes it harbored about making the Final Four.

Mac. RG 82, Hap. Galil 64 Ramat Gan, in a furious attempt to avoid relegation to the second division at the end of the year, played its best game of the season in crushing Galil on the road.

Travis Mays led RG out of the gate as he scored seven of his 28 points in the first four minutes and the team never looked back. David Brooks was outstanding while pouring in 15 points. Desi Baremore and Robert Rose added 19 and 14, respectively.

Hap. TA 108, Hap. Gvat 84

Hapoel Gvat suffered another embarrassing loss en route to certain relegation at the end of the season.

National Basketball League			
	W	L	Pts.
Hapoel Jerusalem	13	1	27
Maccabi Tel Aviv	12	1	25
Hapoel Galil Elyon	9	5	23
Maccabi Rishon	8	5	23
Bnei Herzliya	8	4	22
Hapoel Safed	7	7	21
Hapoel Holon	5	9	19
Hapoel Eilat	5	9	19
Hapoel Tel Aviv	5	9	19
Maccabi Jerusalem	4	10	18
Maccabi Ramat Gan	3	11	17
Hapoel Gvat	2	12	16



SHOW OF SHOWS - More than one hundred thousand people turned up for yesterday's World Cup opening ceremony.

Cricket World Cup opens amid controversy

CALCUTTA (Reuters) - Cricket's 1996 World Cup was launched at a dazzling opening ceremony yesterday but controversy raged as Australia and West Indies forfeited matches after refusing to play in Sri Lanka.

qualified for the quarter-finals before a ball is even bowled. The top four teams in each group of six go through.

The India-Pakistan-Lanka Organizing Committee (PILCOM) was involved in backroom diplomatic efforts as well as formal talks with officials and the International Cricket Council (in an attempt to overcome the crisis).

PILCOM said in a statement: "Several alternate suggestions and offers were made to the ACB (Australian Cricket Board) and WICBC (West Indies Cricket Board of Control), including India's offer to play their match against Kenya in Sri Lanka, provided Australia and West Indies agreed to play in Sri Lanka. But the ACB and WICBC were adamant.

"Sri Lanka will be awarded a 'walkover' against Australia and

West Indies and two points will be awarded to Sri Lanka for each of these matches.

"PILCOM would, however, again request the cricket boards of Australia and West Indies to match the goodwill and solidarity shown by Zimbabwe and Kenya (who have agreed to play in Sri Lanka) by reconsidering their decision not to participate in the scheduled matches in Sri Lanka."

Australia and West Indies refused to play in Sri Lanka on February 17 and February 25 respectively because of safety fears after the bomb blast in Colombo on January 31.

Australian Cricket Board (ACB) chairman Malcolm Gray said: "Australia are concerned about the security situation in Sri Lanka. Therefore the match will not be played."

Two days of talks between organizers, world cricket chiefs and representatives of the 12 competing teams failed to resolve a crisis over Sri Lankan fixtures that has rocked the game's premier limited overs tournament.

Australia and West Indies stood by their decision not to play in Colombo because of safety fears after a bomb blast in the Sri Lankan capital killed more than 80 people and injured 1,200.

Sri Lanka was awarded a "walkover" against the two teams after organizers refused to change the schedule and have effectively

West Indies and two points will be awarded to Sri Lanka for each of these matches.

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Israel-Norway Davis Cup tie set back by rain

ORI LEWIS

THE weather had the last word yesterday as all efforts to conclude the Davis Cup tie between Israel and Norway at Ramat Hasharon were put on hold at least until today.

Norway's No. 1 player, Christian Ruud, led his Israeli counterpart Eyal Ran 5-4 in the first set of the first reverse singles rubber when the rains returned to the Canada Stadium at Ramat Hasharon.

Israel leads the tie 2-1.

The match yesterday had already been delayed by some two hours as the center's staff dried the court following the downpour overnight, and by the time ITF referee Fabrice Souchet of France announced the suspension of play for the day at 5 pm, only a handful of die-hard supporters were still hanging around.

Originally, less than 100 spectators had turned out to see what they had hoped would be the conclusion of an exciting, closely fought encounter.

Ran began very confidently and raced into a 3-0 and 4-1 lead before Ruud struck back, breaking the Israeli No. 1 twice to lead 5-4. Once the Norwegian found his range in the long baseline rallies, Ran found it difficult to keep pace with his opponent. The rains came just as Ran was broken for the second time, and when play resumes this morning at 11 am, Ruud will attempt to serve for the first set. The Norwegian, 80 in the IBM/ATP World Singles Rankings, plays the majority of his tennis from well behind the baseline and shows no emotion in any situation - either when winning or losing. Ran (170) will have to cope with this iceberg if he wants to help Israel clinch the tie in the first part of the day. If Ran fails, the burden of keeping Israel in the Euro/African Zone Group 1 will fall on the young shoulders of Eyal Ertich. He has been called in as a replacement for No. 2 singles racket, Noam Behr, who suffered an ankle injury in the opening rubber against Ruud on Friday. On paper, Ertich (264) has the advantage over his opponent today, Helge Koll (753), but whether he will have any kind of advantage on court remains to be seen. In Saturday's doubles, Ertich - who partnered Ran - began very weakly and only picked up his form from midway through the match. By the end, when Israel had returned from a two-set deficit, Ertich was in full flow, serving and volleying well.

Koll, on the other hand, played well throughout the doubles, but it is difficult to predict where the advantage lies. Koll will be playing without the pressure of the home support on his shoulders, while Ertich will know what is expected of him, regardless of the size of the crowd. Entry today is free and if rain intervenes, play can continue until tomorrow at midnight, at which point Israel - as host - would have to forfeit the tie, Yair Engel, Israel Tennis Association managing director said yesterday. As the weather forecast for today is much better than yesterday, the option of playing indoors has been rejected. Engel said.

Stoudamire leads East past West in NBA rookie contest

SAN ANTONIO (AP) - Damon Stoudamire, the runaway early choice for the Rookie of the Year award, showed everybody what all the fuss was about by leading the East to a 94-92 victory Saturday over the West in the NBA rookie game.

Stoudamire of the expansion Toronto Raptors had 19 points and 11 assists and showed off his considerable one-on-one skills to win the Most Valuable Player award in the NBA's third annual all-star game for first-year players.

"It put a cap on a great first half of the season for me. I didn't know how long or short it would take me to get used to the NBA, but I'm lucky I got put into the right situation. I wanted to perform for the people who haven't had a chance to see me perform. Toronto's not on TV a lot," Stoudamire said.

Stoudamire probably wouldn't have won the award, however, if Joe Smith of the Golden State Warriors had released the final shot of the game a split-second earlier. Smith, who had 26 points

to lead all the scorers, nailed a three-pointer just after the final buzzer.

The basket was waved off and the award was Stoudamire's.

Stoudamire, who leads the Raptors in points and assists and has played more minutes than any other rookie, scored five of the East's final nine points - on a basket in the lane after he drove past Tyus Edney and a 3-pointer with 55 seconds left.

Stoudamire also had four steals, two rebounds and just two turnovers.

Leeds enjoys come-from-behind victory at Birmingham

LONDON (AP) - Tony Yeboah scored once and set up the other to engineer a come-from-behind 2-1 victory for Leeds at Division One Birmingham City yesterday to put his team in sight of a League Cup final at Wembley.

The Ghanaian striker fired the equalizer and then saw his goal-bound header helped into the net by Birmingham defender Chris Whyte.

The two teams will meet again in the second leg at Leeds' Elland Road in two weeks. The first leg of the other semifinal is on Wednesday between Arsenal and Aston Villa.

In Premier League action, early goals by Mark Wright and Robbie Fowler gave third place Liverpool a 2-1 victory at next-to-last Queens Park Rangers. Liverpool is 11 points behind leader Newcastle, which won 2-1 at Middlesbrough Saturday.

Some 24,000 fans at St Andrews saw lanky 6-foot-7 Kevin Francis fire Birmingham ahead with

a 25-yard shot after 27 minutes.

Yeboah's equalizer came nine minutes into the second half when he collected a header-on and ran clear of the defense to shoot home.

Seventeen minutes from the end, Yeboah climbed to meet a cross from Gary Kelly and Whyte, trying to head it over the bar, succeeded only in helping it into the net.

At Loftus Road, central defender Mark Wright drove home an angled shot in the 16th minute right after a shot had been deflected into his path.

Fifteen minutes later, Fowler took a long pass from Stan Collymore and outpaced the Rangers defense before shooting home.

Rangers, which has only 18 points from 26 games, hit back near the end when Danny Dichio's 20-yard shot took a deflection off Liverpool defender Phil Babb and flew past goalkeeper David James.

LONDON (AP) - Jan Siemerink lost his second singles match and Jacco Eltingh conceded his because of injury yesterday to give India an upset victory over the Netherlands and a place in the Davis Cup quarter-final.

Siemerink stumbled in three tie-breaks to lose to India's Leander Paes, who won 7-6 (7-2), 2-6, 7-6 (7-3), 7-6 (7-5).

Then Mahesh Bhupathi, who had beat Siemerink in five sets, led Eltingh two-sets-to-one when the Dutchman retired with a knee injury.

India will face Sweden April 5 to 7 for a place in the semifinal. The Swedes, four time titlist since 1984, overpowered Belgium 4-1 and had already clinched a quarter-final place after Saturday's doubles.

Germany also made it to the last eight by beating Switzerland 5-0 despite the absence of Boris Becker and faces the French, which also scored a 5-0 victory over Denmark.

The defending champion United States clinched a place in the last eight by winning Saturday's doubles against Mexico and will visit the Czech Republic, which downed Hungary 5-0.

Russia and Italy were tied at 2-2 when rain delayed the final singles between Renzo Furlan and Russia's

Andrei Chesnokov. The winner will meet the victor of South Africa-Austria, whose match, currently tied at 1-1, will be completed today because of rain.

At Katrineholm, Johan van Herck upset Sweden's top player, Thomas Enqvist, 7-5, 6-2 but Magnus Larsson scored a 7-6 (7-3), 6-4 victory over Belgium's Dick Norman.

The Germans also had already clinched a quarter-final place Saturday but completed a shutout against the Swiss in Geneva when David Prinosil downed Alexandre Stramigni 6-3, 6-3 and Hendrik Dreckmann beat Jakob Hlasek 6-4, 6-4.

France's Cedric Pioline, who also won a singles on Friday, beat Denmark's Kenneth Carlsen, 7-5, 6-4 and Guillaume Raoux, a late substitute for Guy Forget, downed Frederik Feterlein 6-3, 6-4.

Daniel Vacek and Jiri Novak completed the Czech Republic's sweep against the Hungarians in Pilsen. Vacek beat Sandor Noszaly 7-5, 6-3 while Novak met more resistance from Jozsef Krocso before triumphing 5-7, 7-6 (7-4), 6-0.

Australia, a one-time Davis Cup powerhouse which slipped out of the World Group after upset losses to teams from South Africa and Hungary last season, scored an easy victory over Taiwan in the Asia-Oceania Zone.

India upsets Netherlands to reach tennis quarter-finals

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Record-breaking swim team returns today

HEATHER CHAIT

THE national swimming team returns home today from their sensational string of victories in the World Cup competition in Europe.

Yesterday saw Yoav Bruck and Eytan Orbach add two more bronze medals to the team's hoard, with Bruck's personal collection over the past two weeks rising to eight.

Orbach's bronze came in Gelsenkirchen, Germany, in the 200 meters backstroke event where he set a new Israeli record of 1:57.52 minutes.

Bruck swam the 50m. freestyle in 22.19 seconds to finish in third place, one-hundredth of a second outside his best time.

Two Jerusalemites, Yoav Meiri and Mickey Halika, both improved on Bruck's national record in the 200m. individual medley. Meiri chopped half a second off Bruck's record with a time of 2:03.97 while 10 minutes later Halika continued to lower the time further to 2:03.55 and a sixth place finish.

Dan Kudler also cracked a new record in the 100m. butterfly, setting a time of 53.68 seconds in the final to finish fourth.

Lital Kashriel left her mark on the last day of the tournament in the 50m. butterfly, achieving a new record of 28.56 seconds and fifth place.

The swimmers will be welcomed at Ben-Gurion Airport this afternoon by Deputy Minister of Education and Sport Micha Goldman.

Record Wigan sequence halted by Salford

LONDON (Reuters) - One of the longest-standing unbeaten records in British sport ended abruptly yesterday when Wigan was beaten 26-16 by Salford in rugby league's Challenge Cup fifth round.

Wigan had not lost in the competition in 43 matches spanning eight years.

SCOREBOARD

NBL - Saturday's results: N.Y. Edson 4, Anaheim 3; Philadelphia 6, Boston 2; Pittsburgh 6, Chicago 3; New Jersey 3 (OT); San Jose 6, Los Angeles 1; St. Louis 6, Dallas 3; Ottawa 5, Montreal 3; Buffalo 2, Toronto 2; Vancouver 3, Calgary 2; Washington 4, Vancouver 4.

COLLEGE BASKETBALL - Saturday's top 25 results: No. 3 Kentucky lost to Missouri, 77-73. No. 6 Villanova beat Rutgers, 76-64. No. 7 Utah beat Colorado State, 78-73. No. 10 Penn St. beat Mich. St., 54-58. No. 11 Virg Tech beat Xavier, 79-73. No. 12 N. Car lost to Gonz. Tech, 90-83. No. 13 Tex Tech beat Tex. A&M, 66-63. No. 14 Purdue beat No. 23 Mich., 69-64. No. 18 Syr beat No. 8 GT, 85-64. No. 29 Louisville beat Alabama, Birmingham, 81-66. No. 21 Iowa State beat Nebraska, 74-69. No. 22 Boston Col. beat Miami, 61-65. No. 24 E. Mich. beat Can. Mich., 91-79. No. 23 Stanford beat No. 27 UCLA, 67-66.

DEADLINES OFFICES:

Jerusalem - weekdays: 12 noon the day before publication; for Friday and Sunday: 5 p.m. on Thursday.

Tel Aviv and Haifa - weekdays: 12 noon, 2 days before publication; for Friday and Sunday: 4 p.m. Thursday in Tel Aviv and 12 noon Thursday in Haifa.

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SA

'Davar Rishon' closes this week

MICHAL YUDELMAN

DAVAR Rishon will close at the end of the week, following the Histadrut's decision yesterday not to give the newspaper additional financial support.

"We'll publish the paper to the very last moment as a live and active newspaper," editor-in-chief Ron Ben-Yishai said, "not only in the hope that something can still be done to save it, but because even facing death, one must die on one's feet."

The decision to close Davar Rishon came after a long, tense Histadrut executive session, when it transpired that all the attempts to find investors for the newspaper had failed.

Members of the paper's executive committee appeared, outlined the newspaper's business and editorial achievements, and requested another \$6 million over the next two years, to get "breathing space" to negotiate with potential investors.

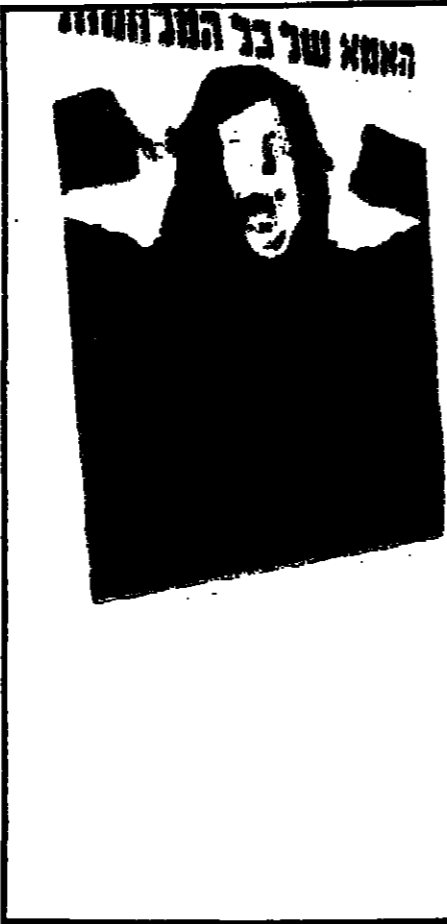
Ben-Yishai said Davar Rishon has a right to exist "as an independent, serious newspaper. The others are tabloids. Ha'aretz, the only other serious paper, is business oriented. It is essential that there is at least one serious news-

paper which has a humanist orientation and social sensitivity, like ours."

He noted that "most investors, like those who bought Ma'ariv and The Jerusalem Post, knew that even if their investment falls flat, the papers had enough real estate to cover the costs. In Davar, however, all the real estate was mortgaged a long time before I arrived on the scene."

The Histadrut, which decided to get rid of Davar when Haim Ramon was elected chairman two years ago, agreed to pay \$1 million a year for three or four years to support the paper, on condition that an investor was found to purchase its stock with the workers. During the past year, the Histadrut paid \$35 million to cover the newspaper's debts, severance fees, and maintenance. But the decision to cut off further financial support constituted a death sentence for Davar Rishon.

"This is a sad day for Davar Rishon, but also for the Israeli press, which will remain with three newspapers, privately owned by three families constantly at war with one another," one worker said.



A sad editor-in-chief Ron Ben-Yishai stands in 'Davar Rishon's' newsroom after it was announced the paper will close at the end of the week. Workers mourned the passing of a paper with acute social consciousness. One said: 'Not only ratings and business considerations should count. What about values and social sensitivity?' (Photo: Alon Ron/Israel Sun. Text: Michal Yudelman)

Court rejects petition against new GSS head

EVELYN GORDON

THE High Court of Justice yesterday threw out a petition asking that Ami Ayalon's appointment as head of the General Security Service be delayed, saying there is no factual basis for the petitioners' claims.

The petition was filed by two men who had served under Ayalon in the navy. Ami Hollander and Ram Golombik. It asked that Ayalon's appointment be delayed until he is investigated on a matter which, the petition alleged, revealed flawed behavior on

Ayalon's part. The details of the affair were banned from publication.

According to Ha'aretz, the two petitioners had been fired by the navy, allegedly for improper behavior, and had countercharged that they were fired because they uncovered improper behavior in the higher ranks and reported it.

After a hearing that lasted no more than 10 minutes, however, Justices Aharon Barak, Ya'akov

Kedmi, and Dalia Dorner decided there was no evidence to justify the petitioners' claims. The affair had already been examined by both the army comptroller and the Judge Advocate-General's Office, and these bodies had also found no basis to the petitioners' claims. The affair also has been brought before a labor court.

After the hearing, both petitioners declined to comment on whether they considered Ayalon

fit to head the GSS, saying that is not for them to decide. However, they stressed that their complaints against Ayalon are not on the professional level.

"On the professional level, I certainly have no criticism of Ami Ayalon," said Hollander.

"He is one of the most talented people ... in Israel," agreed Golombik. "But on a personal level, I think he's missing something ... If there were errors and cover-ups by those beneath him, he is responsible."

Rafael staff begins hunger strike

DAVID RUDGE

OVER 70 Rafael workers who are facing dismissal began a hunger strike yesterday outside the giant armaments development authority plant south of Ace.

The hunger strikers, who have pitched a tent near the plant's entrance, are pressing management to rescind the firing notices they received in the past week.

They have the full backing of the Rafael works committee and the Histadrut's Haifa branch. The latter has also submitted a petition to the Haifa Labor Court for an injunction against the dismissals.

Branch secretary Baruch Zaltz said that although the Civil Service Commission had given management a mandate to fire 350 government employees, negotiations were still continuing.

"We believed that management would not use this threat and implement the dismissal procedure, but would continue with the negotiations," Zaltz told reporters yesterday.

The works committees and the Histadrut maintain that the staffing cutbacks can be achieved

through voluntary retirement, rather than forced dismissals.

The Histadrut has put forward alternative proposals under which around 400 government employees and 600 contract workers would leave over the next 12 months, provided they received "acceptable" severance terms and pension rights.

It has also been agreed that remaining workers would accept a wage freeze for the next two years - equivalent to an overall 14 per cent cut in salary - in return for a commitment that plans to turn Rafael into a public company would be frozen for the same period.

Yigal Cohen, head of the trade union department at the Histadrut's Haifa branch, said there were indications that these proposals were acceptable to the Treasury. The ultimate decision, however, has to be made by Prime Minister and Defense Minister Shimon Peres.

Haifa Histadrut officials and representatives of the Rafael works committees were due to meet last night with Histadrut Chairman Amir Peretz.

Psychiatrists examining Amir won't see all police videos

RAINE MARCUS

TEL AVIV District Court yesterday rejected a request by Yigal Amir's lawyers, who had asked that psychiatrists examining the confessed assassin watch all videos filmed by police of the murder reenactment and by amateur

photographer Ron Kempter. The request was filed last week by defense lawyers Shmuel Fleishman and Gabi Shahar who argued that in order to determine the accused's mental stability,

psychiatrists should watch every second of the films, "if necessary several times."

The team of psychiatrists visited Amir last Friday at Hasharon Prison where he is being held.

They are scheduled to continue their examinations tomorrow before reaching conclusions about Amir's mental state.

The psychiatric findings are due to be presented to the judges on Thursday.

Schools lack proper shelters

THIRTY-NINE percent of the country's schools do not have adequate shelters or protected areas for pupils in case of emergency, Deputy Education Minister Michal Goldman said yesterday.

Speaking at a press conference held with OC Home Front Command Maj-Gen. Shmuel Arad, Goldman said that 26% of schools in the North do not have adequate shelters; as do 40% in the Haifa area; some 41% of the schools do not have proper shelters in the central area, 38% in Tel Aviv, 51% in Jerusalem and 30% in the South. Forty-nine percent of schools in the Arab

sector are inadequate.

"The rate of 'shelter deficiency' is actually greater than the figures show, since many of the shelters were built during the 1960s, are not up to standard and would barely provide any protection," Goldman said.

The Education Ministry has recommended that the policy be to close schools during times of emergency, but the security cabinet has not accepted this recommendation.

The press conference was called in advance of a nationwide civil defense drill being held in the schools on Wednesday. (Tm)

Jordan Valley kibbutzim want probe of interest rates

DAVID RUDGE

JORDAN Valley Regional Council chairman Ze'ev Shore yesterday called on Supervisor of Banks Ze'ev Abeles to conduct a thorough investigation into bank interest rates in light of the kibbutz debt affair, or resign.

The call was made as a result of the Procaccia Report, which alleged the commercial banks miscalculated charges to kibbutzim over many years.

Shore is organizing an emergency meeting of members of

Jordan Valley kibbutzim tomorrow to press for a commission of inquiry into the matter.

There is already strong opposition to proposals that four kibbutzim in the region should give some of their land to the banks, as part of the kibbutzim debt agreement with the banks and the government.

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WEATHER. Forecast: Partly cloudy. Rise in temperatures. AROUND THE WORLD. Table with columns for city, low, high, and weather.

Winning cards. In yesterday's Mifal Hapayis daily Chance card draw, the lucky cards were the nine of spades, nine of hearts, nine of diamonds, and jack of clubs.

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London's visiting mayor: Israel's terrorism fight more complex than ours

BATSHEVA TSUR

LONDON'S lord mayor said yesterday that Friday night's IRA bombing in his city had been a setback to the peace process in Northern Ireland, but that he believed negotiations would resume after a short break.

Speaking after a meeting with President Ezer Weizman at Beit Hanassi yesterday evening, John Chalstre said: "We just need to keep cool. We'll not allow them to blow us off course. There's no way that this sort of terrorist outrage can affect the British people's resolution. They should know it's counterproductive."

Asked whether there were similarities between the terrorist ac-

tivities in the British capital and this region, Chalstre said that Israel's problem is "more complex. The number of people who are prepared to go to such lengths is smaller in our case. But there are many similarities."

The lord mayor said that, like the Israeli government, the British government is working together with all those who are interested in non-violence to achieve peace. "After a short break, negotiations will restart, I think."

With reference to cooperation with Israel on urban terrorism, he added: "We'll combat it together whenever we can."

Meshulam and supporters get solitary confinement

RAINE MARCUS

UZI Meshulam and his 11 supporters were placed in solitary confinement last night.

The move came after the group created more trouble in Ramle's Ayalon Prison following dissatisfaction with a Supreme Court ruling last week.

The court reduced Meshulam's eight-year sentence by 18 months, but he and his followers believe he should be acquitted.

Yesterday, they declared a hunger strike, and the Prisons

Service withdrew their privileges, cancelling their rights to make phone calls or receive visitors.

The group then demanded to be placed in solitary confinement, threatening that otherwise it would give the authorities a "good reason" to put them into solitary.

An hour later, they began to tear and cut wires attached to closed-circuit TVs and smoke detectors. They were then taken to solitary confinement cells.

3 ONE-DAY TRIPS with Shorashim & The Jerusalem Post Travel Club. Monday March 18: LIVING IN THE DESERT. Thursday March 28: REDISCOVERING CAESAREA. Saturday April 13: THE CAPITAL'S WOMEN. Reservations and further information: SHORASHIM, POB 7588, 14 Rehov Abarbanel, Rehavia, Jerusalem, 91074.

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